

TUESDAY, 16 DECEMBER 2008

IN THE CHAIR: MR ONESTA

Vice-President

1. Opening of the sitting

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

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Daniel Hannan (NI). – Mr President, since we last met, reports have been published of a meeting between the political group leaders and the President of the Czech Republic at which some of the group leaders expressed themselves with a discourtesy and boorishness that, I think, bring a measure of disgrace on us all. I wonder if you would care to take this opportunity to say that you, as the deputy speaker today, confirm that this House values all opinions, be they for or against the Lisbon Treaty, and that we respect the dignity of that office of the Czech Republic.

President. – It is not up to me, Mr Hannan, to confirm anything at all, and I would also remind you that Parliament is not debating this subject at the moment. I am sure, though, that you will be taking the floor at the appropriate time to call the competent bodies to account on this issue.

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

3. Voting time

President. – The next item is voting time.

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

3.1. EC-Morocco Euro-Mediterranean Agreement (accession of Bulgaria and Romania) (A6-0458/2008, Jacek Saryusz-Wolski) (vote)

3.2. EC-Albania Stabilisation and Association Agreement (accession of Bulgaria and Romania) (A6-0496/2008, Jacek Saryusz-Wolski) (vote)

3.3. EC-Croatia Stabilisation and Association Agreement (accession of Bulgaria and Romania) (A6-0490/2008, Jacek Saryusz-Wolski) (vote)

3.4. Agreement between the EC and India on certain aspects of air services (A6-0471/2008, Gabriele Albertini) (vote)

3.5. Protection of the euro against counterfeiting (A6-0499/2008, Gérard Deprez) (vote)

3.6. Protection of the euro against counterfeiting (non-euro Member States) (A6-0503/2008, Gérard Deprez) (vote)

3.7. Coordination of safeguards required of companies (codified version) (A6-0465/2008, Diana Wallis) (vote)

3.8. Tax exemptions applicable to the permanent introduction from a Member State of the personal property of individuals (codified version) (A6-0466/2008, Diana Wallis) (vote)

3.9. Expenditure in the veterinary field (codified version) (A6-0464/2008, Diana Wallis) (vote)

3.10. Medals and tokens similar to euro coins (A6-0469/2008, Eoin Ryan) (vote)

3.11. Medals and tokens similar to euro coins: application to non-participating Member States (A6-0470/2008, Eoin Ryan) (vote)

3.12. Draft amending budget No 9/2008 (A6-0487/2008, Kyösti Virrankoski) (vote)

3.13. Units of measurement (A6-0476/2008, Arlene McCarthy) (vote)

3.14. Impact of tourism in coastal regions (A6-0442/2008, Jamila Madeira) (vote)

3.15. Media literacy in a digital world (A6-0461/2008, Christa Prets) (vote)

3.16. Creation of a European Training Foundation (recast) (A6-0473/2008, Bernard Lehideux) (vote)

3.17. Adaptation of a number of instruments to the regulatory procedure with scrutiny, 'omnibus' Regulation, Part Four (A6-0301/2008, József Szájer) (vote)

– *Before the vote*

Margot Wallström, Vice-President of the Commission. – Mr President, the Commission welcomes the agreement reached in first reading on the last of our four proposals on the alignment of existing legislative acts in the new comitology procedure with scrutiny.

In the framework of this agreement, the Commission would like to make two statements, the text of which I will hand over to your services in order to include them in the record of this sitting.

The first statement concerns a commitment of the Commission concerning the transmission of draft measures to the European Parliament when the time limits have been curtailed, and the second statement relates to the application of the regulatory procedure with scrutiny as regards the procedural rules for the updating of the Community blacklist of air carriers subject to an operating ban.

Commission statements

Transmission of draft measures to the European Parliament

The time-limits within which the European Parliament and the Council may oppose a draft measure, according to Article 5a(3)(c) of Council Decision 1999/468/EC, have been curtailed to four weeks or one month, in some provisions of the following basic acts: Directive 2004/17/EC, Directive 2004/18/EC and Regulation (EC) No 2111/2005. When transmitting draft measures to the European Parliament and to the Council in application of those provisions, the Commission commits itself, except during the European Parliament's periods of recess, to take into account the necessity for the European Parliament to hold a plenary session before the expiration of the relevant curtailed time-limits, and reiterates its commitments under the Agreement between the European Parliament and the Commission on procedures for implementing Council Decision 1999/468/EC, as amended by Decision 2006/512/EC, in particular in respect of the early warning system provided for in paragraph 16 thereof.

(FR) *Application of the regulatory procedure*

The Commission notes with regret the decision to apply the regulatory procedure with scrutiny to Article 8(1) of Regulation (EC) No 2111/2005. It would like to stress, in this connection, that the implementing measures referred to in that article are procedural and administrative in nature and that they provide details of rules already laid down in the basic act. The Commission would reiterate how important it is to guarantee the highest possible level of aviation safety. It uses strict, internationally recognised criteria, applied objectively, to achieve this goal; this has always been the case when the blacklist has been updated since Regulation (EC) No 2111/2005 entered into force. In the Commission's view, work on this matter should continue to be based solely on technical criteria, and it therefore feels that the procedural rules should, in any event, continue to guarantee a high level of safety and effectiveness.

3.18. European Judicial Network in civil and commercial matters (A6-0457/2008, Ona Juknevičienė) (vote)

3.19. European Works Council (Recast version) (A6-0454/2008, Philip Bushill-Matthews) (vote)

– *Before the vote*

Philip Bushill-Matthews, rapporteur. – Mr President, I would like to make a very small point but an important point of principle. The committee has come up with an agreement in trialogue, and subject to the will of the House that should go through. It is not a bad agreement, but it has raised an important issue of principle which I think I should bring before the presidency regarding future dossiers.

It is important that we recognise that a rapporteur when appointed is not just appointed as rapporteur for the committee but appointed for Parliament as a whole. To my surprise, because the Council wanted to have a trialogue and the committee rules allowed it, a trialogue was going to take place, if necessary without the rapporteur if I had not supported going ahead with it.

In my view, in order for a rapporteur to be the rapporteur for Parliament, Parliament should be allowed to express its whole view on a report before committing to a trialogue. It is called democracy, and I recommend the idea to the Bureau.

(Applause)

3.20. Transfers of defence-related products (A6-0410/2008, Heide Rühle) (vote)

3.21. Type-approval of motor vehicles and engines (A6-0329/2008, Matthias Groote) (vote)

3.22. ERDF, ESF, Cohesion Fund (revenue-generating projects) (A6-0477/2008, Stavros Arnaoutakis) (vote)

3.23. Conditions of employment of other servants of the European Communities (A6-0483/2008, Giuseppe Gargani) (vote)

– *Before the vote (oral amendments to Amendments 62, 65 and 75)*

Giuseppe Gargani, rapporteur. – (IT) Mr President, ladies and gentlemen, as rapporteur I wish to table three oral amendments: to Amendment 62 – on the voting list, if you can follow – regarding recital 12, I propose that the entire parenthetic clause from ‘annual amounts’ up to ‘annual budget’ be deleted.

To Amendment 65 on the voting list, concerning recital 12c, I propose that the following parenthetic clause be inserted between the words ‘parliamentary assistance’ and ‘cover the total costs’: ‘the annual amounts necessary will be determined within the annual budgetary procedure’.

To Amendment 75, which concerns Article 131, my oral amendment is to add the word ‘transparent’ to the words ‘reference framework’, to give ‘transparent reference framework’.

These are the oral amendments that I am tabling to the House as rapporteur. I hope that they are accepted.

(The oral amendments were accepted)

– Before the final vote

Giuseppe Gargani, *rapporteur*. – (IT) Mr President, ladies and gentlemen, I would formally ask the Commission whether it is in agreement in respect of all these accepted amendments.

Margot Wallström, *Vice-President of the Commission*. – Mr President, the Commission is pleased that an agreement has been reached between the institutions on a joint text for a statute for parliamentary assistants.

On behalf of the Commission, I can confirm today our agreement on this text, which preserves the full substance of our initial proposal. The Commission prepared this proposal in response to a request from the European Parliament to the Commission in a letter from President Pöttering to President Barroso. Only eight months after this request, you have now endorsed the result of the very constructive discussions between Parliament, the Council and the Commission. With this proposal, for the third time in 10 years, the Commission took the initiative of addressing the issue of a statute, and we firmly believe that this time we will succeed. We now have to use this window of opportunity. Therefore, I also give a commitment on behalf of the Commission to defend this text until its final approval by the Council.

(Applause)

President. – Mrs Wallström, I am sure that Parliament welcomes your statement.

We will now proceed to a roll-call vote to close an issue that has been pending for almost 30 years.

Let me just savour this moment.

– After the vote

Giuseppe Gargani, *rapporteur*. – (IT) Mr President, ladies and gentlemen, while I am grateful to the Commissioner, I would ask for your attention for a moment because I have to read out a political declaration, an institutional political declaration agreed on with the Council.

‘The European Parliament and the Council, notwithstanding the competences of the budgetary authority, agree that the transition to new conditions of employment of accredited parliamentary assistants does not in itself require an increase in the appropriations entered in the European Parliament section of the general budget of the European Union and intended to cover parliamentary assistance, with respect to the appropriations entered for this purpose in the budget for the financial year 2008, subject to indexation.

The European Parliament draws attention to Article 69(2) of the implementing measures for the Statute for Members of the European Parliament, as adopted by the Bureau of the European Parliament on 17 July 2008, which stipulates that the total expenses reimbursed to all parliamentary assistants may be indexed each year by the Bureau.

The European Parliament and the Council agree that, where the Commission has to propose, pursuant to Article 96(11) of the Conditions of employment of other servants of the European Communities (CEOS), an adjustment of the contribution to the unemployment insurance scheme, as a result of the inclusion of accredited assistants in that scheme, the necessary payments from the European Parliament should be financed by way of an appropriate budget heading and drawn from the global appropriations intended for the sections of the budget relating to the European Parliament.

The European Parliament and the Council would point out that, in accordance with Article 248(4)(2) of the EC Treaty, the Court of Auditors may at any time present its findings on specific problems in the form of special reports or give opinions at the request of one of the other Community institutions.

The European Parliament undertakes to consult the future body representing accredited parliamentary assistants with regard to any amendments made to the internal decision referred to in Article 125(1) of the CEOS.’

This is the declaration agreed on with the Council, and while I would ask the Council whether it agrees – I think it is fairly safe to say that it does – I should just like to devote a couple of minutes to sharing a thought, an idea, with Parliament. We have concluded a piece of work which, as the President pointed out, is age-old and has been debated for many years. However, the Committee on Legal Affairs, which was given the task

of having to consider, in just a few days, a proposal that came from the Commission but that had somehow been drafted by the Roure committee – I refer to the chairman, Mrs Roure, whom I thank – has done a thorough job. It is with great pride that I must say that the Committee on Legal Affairs has thoroughly investigated a problem that my fellow Members know is difficult.

We have struck a balance regarding the free and fundamental choice of Members to choose their own assistants – this is stated throughout the framework – a balance that gives rise to transparency, that provides rules and that therefore changes this situation about which there was uncertainty. I have stood up for the Committee on Legal Affairs, Mr President; I have also written a letter to Mr Pöttering, to say that, as the Committee had the duty and right to hold a large-scale debate, it has done so, and I believe that it has found the right balance. In the trialogue I must thank the Commission and the Council, who have worked together, but, above all, I must thank the coordinators, my colleagues and Maria José from the Secretariat, who has made an exceptional contribution, which we are consolidating today.

I hope that my fellow Members will vote in favour; we will see in the next two years whether this legislation can contribute significantly to our parliamentary work.

President. – Many thanks, Mr Gargani.

I would also, as this has been the result of teamwork, take the liberty of congratulating Martine Roure for her excellent work within the working group, chairing it with great determination

I would also, of course, like to extend our thanks to our Secretary-General, who has been a formidable negotiator on this topic – and without his determination, none of this would have been possible – and also to the four most recent Presidents of the European Parliament, Mr Pöttering, who was keen to complete this matter, Mr Borrell, who enabled us to take a decisive step forward with the adoption of the codex, Mr Cox, who made it possible to separate the various statutes, and, of course, Mrs Fontaine, who fired the starting pistol almost 10 years ago, so that we could finally have this report before us today.

Monica Frassoni (Verts/ALE). – (IT) Mr President, ladies and gentlemen, I am sorry, this may seem like sycophancy, but my fellow Members will forgive me, since some may still not be aware that the person who put forward this matter within the Bureau in years gone by was in fact you, and therefore as you were not able to say it, I will. Therefore, on behalf of my group and of those outside my group, I thank you also for your work within the vice-presidency of Parliament.

President. – Thank you everybody. I think that the new statute will serve as an example in other parliaments all over the world.

3.24. Capital requirements (implementation plan) (B6-0623/2008) (vote)

– *Before the vote*

Othmar Karas (PPE-DE). – (DE) Mr President, ladies and gentlemen, I would just like to say that Parliament will vote for the first time today within the framework of the new regulatory procedure with scrutiny on whether to reject a Commission legislative proposal. As rapporteur for the Capital Requirements Directive which forms the background to this vote, I would ask you to support the motion for a resolution, which was unanimously adopted in the Committee on Economic and Monetary Affairs.

This will allow the European Parliament to send a clear signal to the Commission. We are demanding an appropriate balance between matters which are proposed by the Commission in the codecision procedure and matters which are handled by the Commission alone within the comitology procedure.

The Commission has made concrete proposals within the comitology procedure relating to credit rating agencies which go far beyond the technical aspects and therefore need to be returned to the codecision procedure.

We must ensure that we issue coherent legislation. We currently have in front of us the reports on the rating agencies and on the Capital Requirements Directive and one comitology proposal. Our aim is to discuss everything jointly in the codecision procedure with a clear focus and therefore I ask you for your support.

(Applause)

3.25. The Misleading Directory Companies report (A6-0446/2008, Simon Busuttil) (vote)

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Christopher Beazley (PPE-DE). - Mr President, while the Vice-President of the Commission is in her seat could I pass on a request to her in her position as Commissioner responsible for communication? A month ago Parliament's Baltic Europe Intergroup passed a resolution on the EU-Russia Summit, a matter of great importance to this House. We have not yet received an acknowledgement, never mind a reply. Could she perhaps raise this with colleagues in the Commission? It is a matter of great importance to this House.

Margot Wallström, Vice-President of the Commission. - Mr President, yes, of course I will follow up on that. I will make sure that you get a reply as soon as possible.

4. Explanations of vote

Oral explanations of vote

– Report: Philip Bushill-Matthews (A6-0454/2008)

Hubert Pirker (PPE-DE). – (DE) Mr President, the European Works Council has been in existence for 14 years and it is high time that it was modified. I voted in favour of the report because it will at last allow the European Works Council to be adapted to the new circumstances. We have an abundance of so-called European companies, in other words those which work across borders. It was therefore necessary to adapt the remit of the European Works Council to meet these new requirements. We must support this report if only because it guarantees that, in all the companies where cross-border work is taking place and where employees' cross-border concerns need to be considered, the employees are actually represented in European Work Councils.

– Report: Giuseppe Gargani (A6-0483/2008)

Daniel Hannan (NI). - Mr President, on occasions like this it is sometimes worth going back to first principles and asking why it is we need European regulation in this field at all. If you want to sell me something and I want to buy it from you and both customer and retailer are content with the units of measurement, surely it is not for any national government, let alone the European Union, to come between them and declare their transaction illegal? That may sound like an abstruse or academic point, but in my home country there have been legal actions that have taken up an enormous amount of time and caused huge distress to people, because they have been dealing with their customers in units with which those customers are comfortable. This is another example of how power has shifted away from the nation states and towards those whom we cannot vote for in European institutions.

I should just like to repeat our call for a referendum on the Lisbon Treaty: *Pactio Olisipiensis censenda est!*

Martine Roure (PSE). – (FR) Mr President, this is indeed a historic day for our Parliament. We have worked hard to get here: I would go so far as to say that this dossier has been 15 years in the making.

You are familiar with the story yourself, having chaired a working group that, quite rightly, felt that the statute for assistants was an important matter. For us, this is the culmination of a great deal of work. As you said, the other presidents before Mr Pöttering have all made a major contribution to this outcome: just now I thanked Mrs Fontaine when I met her on the stairs.

I must also say, though, that I would like to thank the working group in which you yourself were involved. This working group included Mr Friedrich, Mrs Lulling, Mr Nicholson, Mrs De Vits and Mrs Wallis – I hope I have not forgotten anybody – and I must say that there was a great deal of solidarity within this working group, which is why we have succeeded. I would also like to pay tribute to the Committee on Legal Affairs, which was able to take up the baton, rise to the challenge and work quickly: thank you very much.

– Report: Simon Busuttil (A6-0446/2008)

Christopher Heaton-Harris (PPE-DE). - Mr President, I would like to congratulate the rapporteur on this report. I voted in support of his recommendations, because I have had literally hundreds of constituents from across the East Midlands, from Nottingham to Daventry, Glossop to Lincoln, who have been caught out by one of the directories that he is trying to get rid of: the European City Guide. The company in question essentially scams people by sending invoices and threatening legal action should they not pay them for advertisements that simply never appear in the product they pretend to sell.

The European City Guide has been one of the largest causes of complaints that I have received in my 10 years in this House. Indeed, the first complaints came in the first batch of letters after I was elected, and the latest hit my in-box this morning. I am therefore very pleased to have been able to support something in this House for a change.

Syed Kamall (PPE-DE). - Mr President, like the previous speaker, I would also like to pay tribute to the rapporteur for his report on this subject, because it is clearly quite important. A number of us have received letters from our constituents asking about this particular scam. Some very worried people, including many small businesses right across the EU, have written to me in my constituency of London telling me that they are very concerned that they have to pay this amount of money and that they do not want to face legal action.

This is one of the things that the EU does well. I know I am critical about further political and economic integration, but I am also pleased to point out when the European Union works well. Sometimes we should focus on what we do well and try to forget some of the stuff that we do not do so well, such as the one-size-fits-all mentality.

This is being called one of the first Euro-scams, but it is not really the first Euro-scam. If you want to look for other Euro-scams, you can look at the European Constitution and at the Lisbon Treaty. We are being told that the Lisbon Treaty is completely different to the European Constitution, but in effect it is exactly the same thing, and to deny the people of Britain the right to vote is truly a scam and a denial of democracy.

Marcin Libicki (UEN). – (PL) Mr President, as Chairman of the Committee on Petitions, I can say that the committee was very pleased when our proposal to draft a report on the unfair practices of advertising firms such as City Guide was accepted, further to our receiving information on such practices. The report was prepared by Mr Busuttil, and I should like to congratulate him on this success. The entire Committee on Petitions and its secretariat worked on the report. I would like to thank all those involved, first and foremost Mr Busuttil and also all the Members who endorsed this resolution. Indeed, the resolution received almost unanimous support in the House.

Ewa Tomaszewska (UEN). – (PL) Mr President, this is not the only area in which payments are requested for services not provided. I therefore strongly support this report and voted in its favour. I should also like to state that I was unable to vote on the first few reports put to the vote today. The blockade in front of Parliament made it impossible for me and for many other Members to reach the Chamber. I wish to register a protest against such a state of affairs.

Mairead McGuinness (PPE-DE). - Mr President, I am so pleased that the report on the City Guide and business directories has received enormous support, and I congratulate the rapporteur on the work. This is an issue which arose from the ground and which Parliament has responded to. It involves individuals, clubs, schools and businesses being ripped off by companies which thrive on a lack of coordination.

I hope that the vote today will bring the message that people should be very careful about signing and that Parliament is listening to their concerns, and that we will be demanding that action be taken in Member States and at European level which stops the practice of extracting money from businesses under false pretences.

This is a very good day for Simon Busuttil, the rapporteur, and a very good day too for the Committee on Petitions, which has pushed this issue at every step. I look forward to reporting back to my constituents – the hundreds of them who have contacted me about this – and reporting on real progress here.

Tadeusz Zwiefka (PPE-DE). – (PL) Mr President, I should like to make a general comment. I too was unable to participate in the first few votes today, due to access to Parliament being blocked. In my view, it is entirely unacceptable for a French police officer to prevent a vehicle identified as being on Parliament's business from reaching the House. This only happens in Strasbourg. If this is to be repeated, I shall be inclined to side with

those opposed to Parliament's seat being in Strasbourg. After all, situations such as the one I have described do not arise in Brussels.

– Report: Gérard Deprez (A6-0499/2008)

Christopher Heaton-Harris (PPE-DE). - Mr President, I asked for the floor to give an explanation of vote on the protection of the euro. Is that due to come?

President. – Given that there has been no debate, the Rules of Procedure state that there should be no oral explanations. You therefore have two options: either you can submit your statement in writing, or, as we do have a bit of time, you can make it orally and it will be transcribed in writing.

Make it orally, then.

Christopher Heaton-Harris (PPE-DE). - Mr President, you are too kind, and I hope you do not live to regret that one day!

British Conservatives abstained in the votes concerning the illustrious euro. We do this because we believe it is an honourable position for those who do not wish to join the currency to leave decisions about that currency to the countries that are in it. However, over the past few months it has become increasingly obvious that some quite senior Members of this House choose not to act in honourable or respectful ways. Recent actions by some of our group leaders when visiting the President of the Czech Republic fell well short of the respect that should have been shown to the president of a democratic European country.

As the European elections draw near, many Members present here will moan that they feel they are not being taken seriously or given the respect they deserve by their voters. Perhaps they should reflect on the point that you can only earn respect if you also choose to show it, especially to those who have a principled view that you disagree with. It seems that old revolutionaries never die: they just forget what they were fighting for!

– Report: Giuseppe Gargani (A6-0483/2008)

Ingeborg Gräßle (PPE-DE). – (DE) Mr President, I voted against the Gargani report because I believe that what we have in front of us, and in a Council regulation where we only have a right to be heard, is a far-reaching encroachment on Members' freedoms. I would like to point out, and I do not want by any means to belittle the work of the Committee on Legal Affairs, that there are numerous unresolved points and problems when it comes to the effects of this Council regulation on our assistants.

As a member of the Committee on Budgetary Control, I have always been of the opinion that something should have been done urgently about the question of the statute for assistants. I have always been one of those people who paid their employees' social insurance contributions and employed them under proper conditions. Those fellow Members who have not done this have, so to speak, forced this Council regulation on us. It would have been better if the Parliament's administration had reacted earlier and helped to implement the current model. This model is not all bad and we want to retain it anyway for the local assistants. This would have been a better solution for everyone's freedom.

– Report: Simon Busuttil (A6-0446/2008)

Richard Corbett (PSE). - Mr President, I just want to add my voice to those who congratulate Mr Busuttil on his reports and deplore the antics of the various directory guides.

One aspect which is often not known is the way in which these guides follow up their demands for payments in an aggressive way. Victims of the European City Guide and other guides have set up a website called 'Stop the European City Guide' to help spread awareness of the dangers of these scams and to help small businesses, sports clubs, charities etc. who are the victims to fight back and not to be conned by them. Yet the owners of these guides have bullied them and tried to have that website pulled by the internet service provider that gives them this facility. As a result of that, I now host that website on my own website, because they apparently do not dare to attack a Member of the European Parliament.

But I would urge those who are victims or potential victims of this scam to make use of that organisation to coordinate their activities and to work with us to plug the legislative loopholes that will finally bring an end to all of these scams.

Written explanations of vote

– Recommendation: Jacek Saryusz-Wolski (A6-0458/2008)

Alessandro Battilocchio (PSE), *in writing*. – (IT) Mr President, ladies and gentlemen, I am voting for this agreement, which forms part of the relationship between Europe and the Maghreb.

I would like to take the opportunity, however, to emphasise Morocco's repeated violation of human rights and failure to respect international obligations in relation to the Sahrawi issue. What is required is, simply, adherence to the provisions of the various UN resolutions on the matter. The right of the Sahrawi people as a whole to have their say with regard to self-determination must be confirmed. This is the last instance of colonialism in Africa, and the international community cannot continue to remain silent. In this context, Europe should assume its responsibilities.

David Casa (PPE-DE), *in writing*. – (MT) I fully agree with the importance we must give to relations between the European Union and its neighbours, especially in the Mediterranean. The Kingdom of Morocco has always stressed the need to foster closer ties with the European Union and it should be our duty to ensure that this cooperation continues to grow and be strengthened.

Dragoş Florin David (PPE-DE), *in writing*. – (RO) I voted in favour of the draft Council decision on the conclusion of a Protocol to the Euro-Mediterranean Agreement between the European Communities and their Member States, of the one part, and the Kingdom of Morocco, of the other part, to take account of the accession of the Republic of Bulgaria and Romania to the European Union, with a view to developing institutional and commercial relations with Morocco.

Lena Ek (ALDE), *in writing*. – (SV) If it were not for the actions of Morocco in Western Sahara I would have voted in favour of this resolution. I have nothing against an association and exchange between the EU and Morocco. However, to receive my support, Morocco must first respect human rights and stop oppressing the people of Western Sahara.

Glyn Ford (PSE), *in writing*. – I abstained on the Protocol to the Euro-Mediterranean Agreement between the EC and Morocco. My reason for doing so was nothing to do with the technicalities of Mr Saryusz-Wolski's report, but rather political. Morocco's occupation of the Western Sahara's Saharan Arab Democratic Republic, its war against the resistance fighters trying to liberate their country and the human rights violations against the civilian population make it essential to make at least some minor gesture of protest. I only wish it could have been more.

Luca Romagnoli (NI), *in writing*. – (IT) Mr President, ladies and gentlemen, I support the recommendation by Mr Saryusz-Wolski on the draft Council decision on the conclusion of a Protocol to the Euro-Mediterranean Agreement establishing an Association between the Member States and the Kingdom of Morocco. I would argue that Parliament ought to grant its assent to the conclusion of such an agreement, following the accession of Bulgaria and Romania to the Union's territory, which requires an amendment to the agreement. This will allow Morocco to move forward more quickly in removing the tariffs on some of the products that the country imports.

– Recommendation: Jacek Saryusz-Wolski (A6-0496/2008)

Alessandro Battilocchio (PSE), *in writing*. – (IT) Mr President, ladies and gentlemen, I am voting for this report by Mr Saryusz-Wolski, which provides for improved cooperation with Albania.

Geographically, the territory of Albania belongs to Europe, and it is our duty to help that nation, which has faced such huge difficulties, to move gradually closer to the Community institutions. That is the approach adopted by the report. In recent months I have met university students in Tirana: I can feel that a great desire to join Europe is growing among the younger generations in Albania, who understand the need to escape the historical isolation the country has always suffered from and the opportunity of sharing a common journey with the 27 European partners. We are working to achieve that objective.

David Casa (PPE-DE), *in writing*. – (MT) I believe that it is extremely important to offer countries such as Albania the necessary encouragement in order to help them along in their preparations to join the European Union. The establishment of the Association Agreement is a highly important step in that direction.

– **Recommendation: Jacek Saryusz-Wolski (A6-0490/2008)**

David Casa (PPE-DE), in writing. – (MT) When you consider the fact that Croatia is a candidate country for European Union accession, I believe that the Association Agreement is a significant step that contributes towards strengthening ties between that country and the European family.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the proposal for a Council and Commission decision on conclusion of the Protocol to the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Croatia, of the other part, to take account of the accession of the Republic of Bulgaria and Romania to the European Union, with a view to developing institutional and commercial relations with Croatia.

– **Report: Gabriele Albertini (A6-0471/2008)**

Šarūnas Birutis (ALDE), in writing. – (LT) The Indian air traffic market is currently among the fastest growing in the world. Market opening and attempts to attract private and foreign capital to the Indian aviation market are seen as part of the measures necessary to develop and modernise India's aviation sector in order to meet increasing demand and consumer expectations. While the Indian aviation sector has long been characterised by a restrictive approach with limited access and strong state control, India has in recent years taken decisive steps towards a more open and competitive aviation market.

Due to its extraordinary growth rates and gradual market opening, India offers new business opportunities and a strong potential also for growth for European airlines, aircraft manufacturers and service providers.

While ambitions should be high, a fully open aviation area with India may take time to develop and may best be developed in stages to allow a smooth transition and market integration based on a gradual implementation of new rules on a level playing field. I therefore agree with the conclusion of a horizontal agreement between the Community and India.

David Casa (PPE-DE), in writing. – (MT) This report sheds light on certain aspects that were previously unclear and that could have led to misinterpretation. The new provisions guarantee greater transparency in procedure and ensure that both volume of traffic and balance are not disrupted. Whereas previously there were breaches in competition law, this separate bilateral agreement has now incorporated certain specific provisions which will regularise the system.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of this report because:

- Article 2 of the agreement replaces the traditional national designation clauses with a Community designation clause, permitting all Community carriers to benefit from the right of establishment
- Article 4 brings the provisions in bilateral agreements which are anti-competitive (e.g. obligatory commercial agreements between airlines) in line with EU competition law.

When negotiating the horizontal agreement with the Government of the Republic of India, it was emphasised that the agreement will not affect the volume or balance of traffic rights. The terms of a letter from the European Community and its Member States to India were defined for this purpose.

Bogusław Liberadzki (PSE), in writing. – (PL) Mr Albertini rightly believes that it would be appropriate to amend the existing agreement between the Community and the Republic of India. I share his view that a broader agreement should regulate issues such as legislative cooperation in the area of ground safety and flight safety, route management, flight monitoring, the environment, technology and research. Such an agreement should also cover matters relating to conducting economic activity and industrial cooperation.

I also believe that it would be appropriate to refer to the agreement between India and the United States, which could serve as a useful example for us. I endorse the suggestion that the Committee on Transport and Tourism should be the first to issue a positive opinion regarding the conclusion of a horizontal agreement between the Community and the Republic of India.

Luca Romagnoli (NI), in writing. – (IT) Mr President, ladies and gentlemen, I voted for the report by Mr Albertini on the agreement between the European Community and India on certain aspects of air services. I agree with the rapporteur's view that the positive experience of the bilateral agreement signed between the United States and India in 2005, and the resulting elimination of restrictions on capacity, tariffs and quantitative controls on market entry, should be taken as an example by the EU, since a similar agreement

would be advantageous not only for European firms operating in the air sector but also for air service users. It is worth emphasising the fact, however, that for the moment this agreement should constitute a starting point and that, for the complete liberalisation of the air transport sector with India, we will have to await the implementation of the measures currently laid down. This is so that we do not run the risk, as often happens, of economic cooperation proceeding more swiftly than social development.

– **Report: Gérard Deprez (A6-0499/2008)**

David Casa (PPE-DE), *in writing*. – (MT) I agree with the rapporteur on the importance we need to give to the issue of security and the battle against counterfeiters. This is a battle that we must engage in daily because counterfeit money in circulation results in a weakened economy throughout the whole of the European Union, not just for euro area countries. Unfortunately, those criminals who engage in this illicit daily activity constantly update their technology and come up with new devices. Therefore it is of primary importance that we offer all our assistance and make use of resources at hand in order to provide both joint European authorities as well as each individual country with the necessary tools to go on fighting this battle.

Dragoş Florin David (PPE-DE), *in writing*. – (RO) I voted in favour of the draft Council regulation amending Regulation (EC) No 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting because it is a realistic and effective proposal for combating counterfeiting of the euro.

Glyn Ford (PSE), *in writing*. – I welcome both of these reports, the first on ‘measures necessary for the protection of the euro against counterfeiting’ and ‘extending the measures necessary for the protection of the euro against counterfeiting’. As I have said on a number of previous occasions, the decision to issue EUR 500 and EUR 200 notes, which are five times larger than and twice as large as the largest dollar or yen note in general circulation, makes the euro potentially the currency of choice both for money-laundering and counterfeiting. Here at least we are taking action to deal with the latter, even if further steps are required to deal with the former.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) The intention of the report is to amend a previous regulation, Regulation (EC) No 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting, and to increase powers in order to facilitate and permit transfer between Member States of counterfeit money that is to be used to adjust the relevant checking equipment. Under current legislation such transfer is prohibited.

The June List agrees that it is very important to protect the euro against counterfeiting. However, we believe that this issue should be dealt with by the countries that have the euro as their currency. Sweden and other Member States outside the euro area should not involve themselves in the euro area countries’ handling of the matter. We have therefore chosen to abstain from voting on this report.

Andreas Mölzer (NI), *in writing*. – (DE) The large area in which the euro is used makes it a worthwhile target for forgers. They produce forged notes and coins of such high quality, which even have imitations of the security features, that the man on the street is easily taken in by the forged 50-euro notes. Vending machines are also not safe from fraud. The turmoil which some currencies have recently undergone is likely to increase the importance of the euro and criminal gangs will attempt to capitalise on this.

If we want the euro to be as secure as possible, we must increase our efforts on a number of fronts. On the one hand, we need to work on the currency itself and, on the other hand, we need to provide more information about the security features, because making the euro more secure is of no use if people continue to be unfamiliar with it. Finally, we will also have to make a greater effort to combat the gangs of forgers. In this respect, the current starvation policy within the executive must be ended once and for all. This report is only the first step towards a more secure euro, but I have nevertheless voted in favour of it.

– **Report: Gérard Deprez (A6-0503/2008)**

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) On the basis of the report by our Belgian fellow Member Mr Deprez, I voted in favour of the draft Council regulation amending the Regulation of 2001 laying down measures necessary for the protection of the euro against counterfeiting, as amended by the Council. Given the need to adopt binding legislation making it obligatory for credit institutions to verify the authenticity of euro notes and coins in circulation, as was emphasised both by national experts and by the Community institutions, we need to take action as a matter of urgency. I support this draft regulation, which requires credit institutions and other related institutions to check the authenticity of the euro notes and coins they receive before putting them back into circulation, in accordance with procedures laid down by the European

Central Bank for euro notes and by the Commission for euro coins. It is worth emphasising that the amendments will automatically apply to those Member States that are not in the euro area; this is an excellent point.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the draft Council regulation amending Regulation (EC) No 1339/2001 extending the effects of Regulation (EC) No 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting to those Member States which have not adopted the euro as their single currency because this extension is beneficial in the fight against counterfeiting of the euro across the whole of the EU.

– **Report: Diana Wallis (A6-0465/2008)**

Alessandro Battilocchio (PSE), in writing. – (IT) Mr President, ladies and gentlemen, I would like to congratulate Diana Wallis on the excellent work that she has carried out. We are at a particularly delicate economic juncture in which, unfortunately, the crisis that started in the United States, at first affecting just finance, is now having an impact on the real economy worldwide. The gravity of the situation is confirmed by the fact that for the first time capitalism is calling for aid from the state, which until a few weeks ago was considered the historic enemy.

The state's task is, simply, to lay down the rules. We should therefore welcome the current report which provides for a new, more stringent regulation of the safeguards required of companies to protect the interests of members and others.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the proposal for a directive of the European Parliament and of the Council on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent.

At the same time, following examination of the proposal, the Consultative Working Party reached the conclusion, by common consent, that the proposal is confined to a straightforward codification of the existing texts without any change in their substance.

– **Report: Diana Wallis (A6-0466/2008)**

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the proposal for a Council directive on tax exemptions applicable to the permanent introduction from a Member State of the personal property of individuals because, while examining the proposal for a Council directive codifying Council Directive 83/183/EEC of 28 March 1983 on tax exemptions applicable to permanent imports from a Member State of the personal property of individuals, the working party established, by common consent, that the proposal is actually confined to straightforward codification and makes no substantive changes to the acts in question.

– **Report: Eoin Ryan (A6-0469/2008)**

Šarūnas Birutis (ALDE), in writing. – (LT) There is a risk that medals and tokens similar to euro coins may be used by fraudsters: firstly, citizens may believe that the metal objects are legal tender. Secondly, medals and tokens may be used fraudulently in vending machines which accept coins, if the size and metal properties of the former are similar to those of euro coins. Therefore it is essential that criteria concerning the similarity of medals and tokens to euro coins be defined more clearly.

David Casa (PPE-DE), in writing. – (MT) I absolutely agree with the rapporteur that we must try to limit the activities of money-launderers by drawing up a regulation that ensures a clear delineation between coins of legal tender and other coins, so as to try to curb abuse as much as we can.

Andreas Mölzer (NI), in writing. – (DE) Of course it is important for the EU to ensure that no coins and medals similar to euro coins are produced. Several years ago, for example, Turkish lira coins with euro features appeared in Austria. Unfortunately the EU does not seem to take symbols seriously. For example, during the design of the national sides of the euro coins it did not feel responsible for Slovenia's plan to use Austrian symbols, which was pure provocation.

The European Union also failed to criticise Georgian President Mikhail Saakashvili for appearing in front of the EU flag in several television interviews, as if his country were a member of the European Union. However,

this lack of interest does not seem to extend to all areas. It is important that citizens cannot mistake tokens similar to euro coins for the euro itself, which is why I have voted in favour of the Ryan report.

– Report: Kyösti Virrankoski (A6-0487/2008)

David Casa (PPE-DE), in writing. – (MT) When you consider the tough times that the general world economy has gone through, especially in the case of the European economy, it must be ensured that all necessary steps are taken to create the stability required to help us move forward and recover from this negative year.

Nigel Farage and Jeffrey Titford (IND/DEM), in writing. – UKIP voted in favour of this report because EUR 4.9 billion of unspent appropriations will be returned to the national governments.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) It is good for financial resources to be repaid to the Member States when the implementation rate is low in the Structural Funds.

The second part of this amending budget deals with emergency aid and the establishment of a rapid response mechanism to deal with rising food prices in developing countries. We have our doubts about the proposed appropriation of EUR 262 million. The issue is more complicated than that. There are many examples of how the EU has dumped food prices and beaten down local food producers in developing countries. In so doing the EU has obstructed the local food supply in developing countries. Now it wants to march in with emergency aid as a short-term solution. What is needed is the alteration of the common agricultural policy in the EU and of the EU's export subsidies for agricultural products. Therefore, we cannot support this part of the amending budget in this respect.

Since the repayment of unused Structural Fund appropriations to Member States makes up the vast majority of amending budget No 9/2008, we have chosen to vote in favour of the proposal as a whole. This does not mean that we support the proposal in this amending budget for emergency aid.

Pedro Guerreiro (GUE/NGL), in writing. – (PT) The EUR 4.5 billion reduction in the Structural and Cohesion Funds in the EU budget for 2008 justifies our vote against this report.

The Multiannual Financial Framework 2007-2013 has not been observed from the start, particularly with regard to use of cohesion policy funds.

The 'justifications' – such as the delay in adopting and implementing programmes – do not explain why, in two consecutive years, these amounts have either not been included in the EU budget or have subsequently been reduced. What is more, the EU budget for 2009 includes appropriations for structural and cohesion policy which are lower than those adopted for 2007, and this is in a year of crisis.

If there are difficulties in implementing the operational programmes of each Member State, then these should be overcome (including by increasing the Community co-financing rates).

What is unacceptable is to use these 'difficulties' to reduce amounts which should be used to support productive sectors and to promote employment with rights in the 'cohesion' countries, which include Portugal.

Furthermore, appropriations are being accumulated which will run the risk of not being used due to the application of the n+2 and n+3 rules and due to the difficulties caused by these being partly co-financed by the national budgets of these countries.

– Report: Jamila Madeira (A6-0442/2008)

Šarūnas Birutis (ALDE), in writing. – (LT) If we include the coastal zones of all 27 Member States, the coastal zone of the European Union stretches to more than 89 000 km. This European coastal zone is noted for its huge diversity, as large cities and the capitals of European countries are situated within it.

Some regions would not be able to exist without the coasts surrounding them, for example, remote regions living only from tourism and from activities connected with the sea. However, there are also some regions where the coastal zone's geographical relief determines the independence of their economic development from tourism, or where tourism is not particularly significant in terms of their gross domestic product. Based on some forecasts, in 2010 around 75% of the population will be living in coastal zones. In itself this large concentration of inhabitants by the coast illustrates quite well that we must analyse pragmatically the effects of tourism on coastal zones; to be precise, its effect on the national, regional and local economy.

That is why the legal act on the harmonious regulation of coastal tourism is necessary.

Carlos Coelho (PPE-DE), in writing. – (PT) Tourism is vital to the socioeconomic development of coastal regions in the EU.

For this reason, I support the creation of policy instruments that will help contribute to more integrated and sustainable development strategies, reducing the seasonal element of tourism in these regions, as only in this way can we improve economic competitiveness and meet social needs (more stable job creation and improved quality of life). At the same time, particular attention should be paid to preserving natural and cultural resources and promoting more responsible models of tourism.

Although tourism is not currently one of the EU's competences, it is still important to avoid fragmentary, sectoral and at times incoherent action at European level. As a result, we should ensure a comprehensive and integrated approach under the various associated policies (including cohesion, environment, maritime and social).

I have no doubt that the Structural Funds can have a positive impact on the development of coastal regions. However, it is a pity that, because of a lack of information, we do not know the real impact of these investments.

It is also regrettable that there is practically no specific reference to coastal areas in the various operational programmes for 2007-2013. I support the rapporteur's intention of carrying out a revision in order to change this situation.

Lena Ek (ALDE), in writing. – (SV) The report by Mrs Madeira on European coastal tourism is hard going and complicated and lacks definite and clear objectives, but it has a clear and definite condescending approach. I fail to see how the tourism industry within the Union would be improved by the European Parliament urging Member States to create cycle tracks (paragraph 7) or reduce airport taxes (paragraph 32). The conditions for coastal tourism are quite different in Greece compared with Sweden, for example. I therefore voted against the report.

Duarte Freitas (PPE-DE), in writing. – (PT) The issues associated with the sustainable development of coastal zones are extremely important for those EU countries, like Portugal, which have regions that are highly dependent on certain maritime activities.

The list of these activities includes coastal tourism, which is a fundamental pillar for achieving the current objectives of the European strategy to bring Europe closer to the sea. In this respect, the EU must include coastal tourism in the list of its political priorities. Despite their unquestionable wealth, coastal regions in Europe, and in particular in Portugal, suffer from serious constraints due to the flawed approach, planning and action of decision-makers.

The EU should create a policy that specifically deals with tourism issues and integrates them within wider contexts, such as: European maritime policy, the Marine Strategy Directive, the Integrated Coastal Zone Management Strategy, the trans-European transport network and the environmental policy of the Natura 2000 network, among others.

This report includes these and other proposals that I regard as fundamental to the development of tourism in the EU's coastal areas. That is why I voted in favour.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) The June List is opposed to any attempt by the EU institutions to include the tourism industry within its legislative competence. The tourism sector and investments to encourage the industry's development are matters that should be dealt with exclusively by individual Member States.

The June List therefore believes that financial investments in infrastructure and permanent transport connections, for example, should be dealt with by the Member States concerned and should not burden taxpayers in other parts of the EU.

The June List also questions the rapporteur's urging of the European Parliament to encourage continued economic activity outside the tourist season, a proposal that can scarcely be described as anything other than an attempt to establish cross-border employment protection.

Unlike the rapporteur, we are also opposed to the Committee of the Regions' desire to create a European coastal fund.

The June List MEPs have therefore voted against this report in its entirety.

Pedro Guerreiro (GUE/NGL), in writing. – (PT) Despite clearly disagreeing with some aspects of the report, we support the majority of its contents, particularly the inclusion of many amendments that we tabled and defended, such as the following point: 'Stresses the need to safeguard workers' rights in the sector, promoting quality jobs and the acquisition of skills, this entailing, *inter alia*, suitable training, more extensive use of long-term contracts, equitable and decent wages and better working conditions'.

We regret, however, that other amendments were rejected, such as:

- 'Believes that the tourist industry should be a factor contributing to territorial cohesion, economic development and employment at regional level, and stresses the need for a transversal approach to the sector in terms of Community policies and funds, notably via the creation of a specific Community programme, complementing the Member States' actions, to promote the sector and encourage synergies between the various social and economic players involved'.

- 'Recalls that certain tourist-oriented coastal regions have been penalised by the so-called "statistical effect" in the current financial framework for 2007-2013, and therefore calls for compensatory measures at European level for those regions', such as the Algarve.

Sérgio Marques (PPE-DE), in writing. – (PT) This report on the regional development aspects of the impact of tourism on coastal regions underlines the fact that tourism is essential to the socioeconomic development of these regions of the European Union.

This issue is extremely important, as the EU's Member States have over 89 000 km of coastline and as, in addition, the islands, island Member States and outermost regions are heavily dependent on the tourism sector.

Coastal Member States must therefore design specific strategies and integrated plans at national and regional level in order to counteract the seasonal nature of tourism in coastal regions and ensure more stable employment and a better quality of life for local communities.

I voted in favour of this report, which highlights the need for an integrated approach to coastal tourism in the context of the EU's cohesion, maritime, fisheries, environmental, transport, energy, social and health policies, in order to create synergies and avoid inconsistent actions.

Luís Queiró (PPE-DE), in writing. – (PT) If we think about the importance to Europe of a global strategy taking advantage of the sea's potential, and if we think about the economic strength that tourism can and does bring to European economies, and if we add to these thoughts the need to respond not only to the concerns raised by the relocation of various businesses, but also to the challenges posed by the current economic crisis, it is easy to understand the importance of a specific strategy for tourism in coastal zones, within the framework of global strategies for tourism and for the sea.

In view of these thoughts, both of which are present in two reports in which I was involved (as rapporteur for the report on the future of sustainable tourism and as shadow rapporteur for the report on the European maritime strategy), this report is welcome. We must recognise, however, that it is not enough to have a strategy for tourism in coastal zones consisting of the maximum common denominator of the two global strategies mentioned. In general terms, we need to encourage an economic environment that is favourable to entrepreneurship and that takes advantage of this huge potential – or these huge potentials – by exploiting it today and ensuring that it continues to be exploited in a sustainable and responsible manner.

Luca Romagnoli (NI), in writing. – (IT) Mr President, ladies and gentlemen, I voted for the report by Mrs Madeira on the regional development aspects of the impact of tourism on coastal regions. Although tourism is not one of the European Union's competences and, as a result, there are no financial instruments specifically targeted at the sector, I believe that it is necessary to evaluate the impact that a sector as significant as coastal tourism has on regional development and the economic, social and territorial cohesion of all the Member States. I agree with Mrs Madeira that we ought to act in an integrated manner and take a coherent approach to strategies in policies on the environment, energy, the sea and transport, so that the various measures to promote tourism are consistent, benefiting those living in coastal areas and the European economy in general.

Margie Sudre (PPE-DE), in writing. – (FR) In coastal areas, particularly in the outermost regions, tourism, which is often the main economic activity, may have negative effects due to the seasonal, unskilled nature

of the work, a lack of integration between the coast and the interior, a lack of economic diversity and the impoverishment of the natural and cultural heritage. There are solutions, in the form of the following activities.

Combating the problem of seasonality, by offering other forms of tourism (business, cultural, medical, sports, rural), whilst still protecting the heritage of our coasts.

Seeking an integrated approach between coastal tourism and Community cohesion, maritime, fisheries, environmental, transport and energy policies, in order to create synergies and improve the coherence of projects.

Improving the quality of infrastructure, in order to improve accessibility outside high season, whilst still combating the effects of climate change by developing sustainable local public transport.

Improving service quality, by improving occupational training and promoting tourism opportunities that fit in with changes in the market, in order to stand out from the competition.

Promoting new tourist destinations, including the outermost regions, and making coastal tourism the main focus of European Maritime Day on 20 May and of the 'European Destinations of Excellence' project.

– Report: Christa Prets (A6-0461/2008)

Šarūnas Birutis (ALDE), *in writing*. – (LT) In the age of globalisation and rapid development of information and communication technologies (ICT), both new technologies and media devices are increasingly penetrating all areas of life. Society like never before must follow this rapid technological change and learn to handle the torrent of information. Media devices also perform the role of gatekeeper, choosing important themes, and this has an effect on the agenda of everyday life. This choice, however, is only made on the basis of an individual standpoint and so is only just objective. Literacy in the use of media devices must help people overcome these challenges and help them become savvy media users.

Charlotte Cederschiöld, Christofer Fjellner, Gunnar Hökmark and Anna Ibrisagic (PPE-DE), *in writing*. – (SV) We voted against Mrs Prets's (Socialist Group in the European Parliament, AT) report on media literacy in a digital world (A6-0461/2008). The proposals in the report violate the principle of subsidiarity. We do not want a common European media education for all children in the Member States. Individual Member States must design their curricula according to national circumstances.

Nor do we believe that parents and older people in general have poor media literacy.

Marie-Hélène Descamps (PPE-DE), *in writing*. – (FR) Both traditional media and new media have an important place in our daily lives. Given that fact, it is important to enable European citizens to understand, analyse and assess the flood of information and images they receive, so that they can make the best possible use of them. Such skills are all the more vital now that Internet use is so widespread and media consumers are no longer simply spectators but are increasingly becoming actors in the process.

The report submitted to us, which I personally support, fits into this context. It is an expression of a political will to take action to safeguard the rights and freedoms of everyone in the digital environment.

Including all citizens, in particular the very youngest, this report calls for the establishment of a high level of media education. It aims for training specific to each type of media, and reaffirms that everyone has a right to access information and communication technologies. It encourages high-quality education that fosters a responsible and respectful attitude to intellectual property rights. This media education, which will also help to achieve the Lisbon objectives, is a vital asset for developing knowledgeable, active citizens.

Lena Ek (ALDE), *in writing*. – (SV) The rapporteur seeks to introduce European media education at various levels, aimed at families, schools, older people and people with disabilities. This is, of course, a good idea, but it does not belong at EU level. As an advocate of a narrower, but more focused EU, I believe that this should be something that each Member State should organise for itself. I therefore voted against the report.

Edite Estrela (PSE), *in writing*. – (PT) I voted in favour of Christa Prets's report on media literacy in a digital world as I believe we urgently need to tackle this problem. In this age of digital information, info-exclusion may become a new form of discrimination and inequality. I agree with the objectives set out in the report, particularly the support for widening access to broadband Internet, the efforts to reduce differences in this area between the various Member States and the need to invest in education and training in this sector.

I also feel that we need to carefully follow and monitor the trend towards company concentrations in this sector, in order to avoid oligopoly situations, which could compromise the transparency and pluralism of information.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) We believe that media literacy is a matter for the Member States. The draft statement that we have before us in the European Parliament certainly contains some good advice (and some not so good advice for that matter), but this is a matter for the Member States alone.

The proposals in the report also enter the area of the curricula in Member States' education systems. The June List has previously pointed out in this Parliament – and now does so again – that the Member States alone are responsible for the organisation of teaching and the content of education systems.

In grand speeches much is said about subsidiarity, but the reality is rather different. The EU should involve itself in cross-border issues but keep out of matters that individual Member States can decide on themselves or that are already regulated in other international treaties.

For this reason, we have voted against the motion for a resolution.

Ian Hughton (Verts/ALE), in writing. – Media literacy is increasingly important in our digital era. Whilst our cultures are increasingly subjected to globalisation, the Prets report rightly recognises it is local entities which have a key role in media literacy. Local facilities have a major contribution to make and I welcome this report.

Dumitru Oprea (PPE-DE), in writing. – (RO) I was sure that the vote would go in favour of Christa Prets's report.

I believe that we need media literacy so that those receiving information can gain a better understanding of all the media products available and find out how to avoid the possible negative effects they have. However, to be able to this, they need the information and knowledge which media literacy offers.

All members of the community must be able to look for and use information so that they can communicate freely and openly, without any fear of facing a reality for which they are not prepared.

Measures should be implemented even at primary school level to ensure that adequate media literacy is provided so that children acquire the skill sets required to take an active part in society.

Media literacy involves offering members of the community the opportunity to analyse mass media products critically so that they become less vulnerable to those who control information.

Luca Romagnoli (NI), in writing. – (IT) Mr President, ladies and gentlemen, I voted for the report by Mrs Prets on media literacy in a digital world. In view of the ever more widespread use of new information and communication technologies, which pervade even the most basic aspects of our everyday lives, and the huge opportunities that these tools provide, it is becoming necessary for people to have not only the ability to use these tools in order to enjoy their potential benefits but also, and above all, for them to have the ability to protect themselves from the risks of manipulation of information and from the omissions or incompleteness that are often a feature of information found on IT networks as compared with that provided by traditional means of communication. I therefore welcome the work done by Mrs Prets and hope that the measures taken will be consistent with it.

– Recommendation: Bernard Lehideux (A6-0473/2008)

Alessandro Battilocchio (PSE), in writing. – (IT) Mr President, ladies and gentlemen, I am in favour of the Lehideux report, which is today going to the vote after a lengthy debate that has seen Parliament play a leading role in attempts to improve the final document.

We find ourselves in a particularly complicated economic context, in which the economic and financial crisis which is affecting us seems destined to last throughout 2009. Today, Europe is sending out an important signal with the establishment of a European Training Foundation. The objective is to ensure that this institution is an effective tool not only for the training of young people in search of their first jobs, but also for all those – and it is unfortunately a large number – who are being thrown out of the world of production and work. It is the duty of the European Parliament to continue to monitor its effectiveness and the attainment of its objectives.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the Council common position for adopting a regulation of the European Parliament and of the Council establishing a European Training Foundation (ETF) because the common position includes many of the amendments of the Committee on Employment and Social Affairs. The main changes to the Commission proposal concern the scope of the regulation, the functions of the agency, the general provisions, the Governing Board and the appointment of the ETF Director. The issues involving how relations between the EP and the agency could be strengthened and how the EP could be represented on the Governing Board have also been resolved.

Article 7 provides for, as part of the Governing Board, 'three non-voting experts appointed by the European Parliament'. Parliament is free to appoint either external personalities or Members and it will be Parliament's responsibility to choose its preferred level of representation on the Governing Board. Additionally, the candidate for Director selected by the Governing Board will be invited to make a statement before the competent committee(s) of the European Parliament and answer questions put by its/their members before his or her appointment (Article 10).

Carl Lang (NI), in writing. – (FR) Ultra-Europeans seem to see immigration of job seekers and people as the miracle solution to the problems of labour shortages and falling birth rates experienced by all Member States. This foolish attitude is an admission of powerlessness: Europe, as it stands, has nothing to suggest that can meet the challenges it is facing.

A new Europe, on the other hand, must promote economic and social policies of national and Community protection and preferences, a family-friendly policy to encourage people to have children, and a foreign policy involving development aid to third countries so that those countries, which are experiencing emigration on a massive scale, can stabilise their populations by significantly improving living standards.

The European Training Foundation is an agency of the European Union that aims to help develop the education and training systems of the EU's partner countries. This would be a highly laudable aim if it did not, in reality, consist in preparing these non-European countries to access the European labour market. We do not want additional immigration from third countries, not even from non-European candidate countries like Turkey, an Asiatic and Muslim country that we refuse to see joining the European Union.

– Report: Ona Juknevičienė (A6-0457/2008)

Carlos Coelho (PPE-DE), in writing. – (PT) I support this proposal, which aims to improve the operation of the European Judicial Network in civil and commercial matters. I am pleased that an agreement has been reached at first reading.

I have always supported the introduction of closer links between judges and the institutional machinery of European judicial cooperation, in order to allow these professionals to follow each stage of the construction of a judicial Europe, thereby helping to consolidate the area of freedom, security and justice and build a European judicial culture.

This network consists of contact points (judges) who cooperate with each other to tackle the difficulties that may arise in judicial cooperation between Member States. It covers all areas, in other words both civil and commercial matters. I believe that the network should be open to allow participation by professional associations, at the same time as endeavouring to reinforce the information provided to the general public.

These improvements will bring clear benefits for the mutual recognition of judgments, which essentially forms the cornerstone of judicial cooperation.

Dragoş Florin David (PPE-DE), in writing. – (RO) I voted in favour of the proposal for a decision of the European Parliament and of the Council amending Council Decision 2001/470/EC establishing a European Judicial Network in civil and commercial matters because the European Judicial Network in civil and commercial matters between the Member States was established by Council Decision 2001/470/EC of 28 May 2001 because it was considered that the establishment of an area of freedom, security and justice as part of the Community entails the need to improve, simplify and expedite judicial cooperation between Member States, along with efficient access to the justice system for people involved in cross-border litigation.

Carl Lang and Fernand Le Rachinel (NI), in writing. – (FR) If there is one field where cooperation between the Member States of the European Union is important and needs to be supported with all our might, it is this one concerning justice and the police.

The recent results achieved by the joint Franco-Belgian investigative team, which, after months of surveillance, has succeeded in arresting 16 young Jihadist fanatics and in dismantling an Islamist terrorist network based in Brussels, provide evidence of the need for collaboration between the police forces of Europe.

Organised crime, corruption, drug trafficking and terrorism, as we all know, do not respect national borders.

The Member States of the European Union have already been collaborating for a number of years in the context of intergovernmental cooperation. In its sinful pride, the European Union wants to jump on the bandwagon and is trying to set up, under its rule, this type of relationship within a European Judicial Network arranged around national contact points.

We remain in favour of cooperation, and we support this initiative, provided that the Member States are not deprived of their legitimate sovereign competences for the sake of a new bureaucratic European body.

Rareș-Lucian Niculescu (PPE-DE), in writing. – (RO) I would like to say how sorry I am that Mrs Juknevičienė's report was not debated in Parliament before its adoption. The Group of the European People's Party (Christian Democrats) and European Democrats supports this report. However, we would like to draw attention to some problems in this area for which we need new solutions: European citizens' knowledge of their rights in cross-border proceedings, and the knowledge which practitioners of the law and judges have, which is extremely vague.

I hope that these issues which are causing Parliament concern will feature more prominently on the future agenda of the Commission and the Council.

Andrzej Jan Szejna (PSE), in writing. – (PL) I voted in favour of the report on the European Judicial Network in civil and commercial matters. The document submitted to the Committee on Civil Liberties, Justice and Home Affairs constitutes a response to the need to simplify and expedite judicial cooperation between Member States. Essentially, what is at issue is facilitating citizens' access to justice.

The rapporteur's programme focuses on promoting cooperation between members of the legal professions with a view to defining best practices. In addition, it emerges from the Commission's report on the operation of the European Judicial Network in civil and commercial matters that it is a long way from achieving its potential, due to the lack of national contact points.

The proposed creation of such intermediate points, plus the gradual introduction of the European e-Justice system would improve European citizens' access to general information concerning the law and the functioning of the justice system.

– Report: Philip Bushill-Matthews (A6-0454/2008)

Avril Doyle (PPE-DE), in writing. – The recast version of the European Works Council Directive provides for increased information and better consultation procedures for workers within the EU and I would like to publicly support it. The proposal aims to amend the Council Directive 94/95/EC of 22 September 1994 for the purpose of informing and consulting employees. The subsequent discussions with social partners combined with the reviewed recast versions provide an improved structure for increased dialogue between employers and employees, allowing for in depth assessments of proposed changes, and means for workers representatives to promote their interests.

I support the introduction of a tri-annual review of the directive post its implementation to ensure that it remains responsive and adequate for its purpose.

Ilda Figueiredo (GUE/NGL), in writing. – (PT) The clear lack of political will among a majority in Parliament to develop the current directive and improve the rights and role of the European Works Council was once again patently obvious in the vote in plenary. All our group's amendments were rejected, including the one providing for an in-depth and comprehensive review of the current directive, to begin, at the latest, five years after the date of entry into force of the minor amendments that have now been made. It has only been agreed that a report on the implementation of this directive should be submitted by the Commission. Then we will see what happens. We already know that the reinforcement of workers' rights will depend on the development of the class struggle.

In contrast with other times when the European Parliament, in non-binding discussions, accepted the principle that workers' representatives should have the right of veto, as in my report on the role of women in industry,

it has now refused to include this in the directive on the European Works Council, which is regrettable. This is why we decided to abstain.

Neena Gill (PSE), *in writing*. – I voted in favour of this report because in these difficult times, it is vital that we, as socialists, strive to protect workers.

Consultation and information are two fundamental rights for workers, and European Works Councils are a great European initiative. However, jobs in my region as well as in the rest of Europe are being lost because councils do not work closely together across borders.

I therefore welcome proposals to ensure the effectiveness of Works Councils and the extension of their application. This is an issue that affects many of my constituents. I hope that our vote will mean that more firms and workers in the West Midlands will benefit from these rights.

Ian Hudghton (Verts/ALE), *in writing*. – I voted in favour of the Bushill-Matthews report. The Parliament has voted in favour of effective and dissuasive sanctions against employers for non-compliance with the rules and accordingly will improve the situation of workers across the EU.

David Martin (PSE), *in writing*. – In view of the looming global economic crisis, this Directive will give a bigger say to the workers in the future of their workplace, providing the revision to the European Works Council which is necessary. I welcome the advice of the European social partners which is now included in the directive, I also welcome the updating of the Directive in order to take into account recent court cases which have given greater legal clarity to the two sides of industry.

Catherine Stihler (PSE), *in writing*. – I support any work which strengthens the work of the European Works Councils.

Georgios Toussas (GUE/NGL), *in writing*. – (EL) The participation of workers in works councils is used by employers to control workers' activities in the workplace.

European Works Councils and corporate responsibility are vehicles for consolidating social partnership and directing the labour movement.

That is why we voted against the Commission proposal to recast the European Works Council Directive.

– Report: Heide Rühle (A6-0410/2008)

Adam Bielan (UEN), *in writing*. – (PL) Mr President, I voted in favour of the report by Mrs Rühle on simplifying the conditions of transfers of defence-related products within the Community because it contains many measures designed to make the operation of the market in armaments much easier.

In addition, establishing Community-wide legal provisions in the area of defence would do away with the risk of any Member State being falsely accused in relation to the illegal transport of weapons. As Members will be aware, certain Member States were recently falsely accused of having illegally sold weapons to Georgia. Common legislation in this area for all 27 Member States of the European Union could prevent similar situations from arising in the future.

Avril Doyle (PPE-DE), *in writing*. – I supported MEP Rühle's proposal as part of the Commission adopted Defence package from December 2007. The proposal entails the creation of a transparent market in the EU for defence equipment, replacing the existing 27 separate licensing regimes and harmonizing the licensing requirements for the transfer of these products between Member States. This modification of the control regime which currently exists brings not only more transparency, but strengthens existing practices and procedures, while saving billions on compliance costs. Administrative reform of this kind increases the clarity and simplicity of the procedures concerned, strengthening the internal market while maintaining control over subsequent export outside the EU. The introduction of general and global licenses, which remain defined by each Member State, provides a decent balance between national and community interests.

Ilda Figueiredo (GUE/NGL), *in writing*. – (PT) 'Simplification of intra-Community transfers of defence equipment' is not a neutral process. Reinforcing internal market rules in an area which has to date been the exclusive competence of Member States also marks another step along the federalist road, increasing the hegemony of the major powers to the detriment of national sovereignty. At a time of severe international economic crisis, developing the military-industrial complex in the EU opens up new prospects for profits to be earned by the large economic groups and reinforces the EU's military intervention capacity in the

context of the common foreign and security policy. The aim is to ensure control over markets, finite energy resources and other natural resources vital to the capitalist method of production, in a context of greater international competitiveness.

We should be taking a very different road. Specifically, we should be trying to reduce arsenals of nuclear and conventional weapons throughout the world, assisting with the peaceful resolution of conflicts and ensuring respect for international law and the sovereignty of countries.

The road taken by humankind must be one of disarmament and not the relaunch of the arms race, as encouraged by this proposal for a directive. That is why we have voted against.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) The June List is in favour of the realisation of the free internal market. However, we do not believe that the EU should legislate on how trade in defence-related products within Europe's borders should be controlled. Defence-related products cannot be viewed in the same way as other goods and services. Like export policy, legislation in this area should be a matter for individual Member States alone. If there is a need for cross-border cooperation, this should be established at intergovernmental level.

As the June List is strongly opposed to any attempt to establish military capability within the framework of EU cooperation, we are highly critical of the Commission's proposal. The rapporteur's amendment does not improve the issue either. The June List's decision to vote against the report is therefore not only a 'no' to the committee's resolution but also a clear rejection of any form of militarisation of EU cooperation.

Jens Holm and Eva-Britt Svensson (GUE/NGL), in writing. – (SV) We believe that the European Commission's strategy for a more competitive defence industry within the EU is on completely the wrong track. It is yet another step towards military cooperation within the EU, the aim being to establish common defence. We are fundamentally opposed to any such development. We would safeguard an independent foreign policy that is free of military alliances.

The safeguarding of international law, democracy and human rights is not mentioned at all in the Commission's proposal. We believe that peace, democracy and human rights are more important than the creation of a new market for military equipment. This is also an area that affects security policy. According to the EU Treaty, Sweden has the decision-making authority. On this point, we believe that the European Commission's legislative proposal contravenes the EU Treaty. For the reasons given above, we are voting against the proposal.

Athanasios Pafilis (GUE/NGL), in writing. – (EL) The proposal for a directive to facilitate transfers of military products within the EU by simplifying the relevant licensing procedures in the Member States forms part of the general objective to militarise the EU in order to serve its aggressive anti-grassroots plans.

This particular proposal and the report which accompanies it are designed to further reduce the ability of Member States to decide their defence policy independently, and to strengthen the large defence industries in the EU so that, by reducing administrative obstacles to the movement and sale of their products, they will become even more dominant on the euro-unifying market and more competitive on the global market, thereby ousting small and medium-sized companies, as noted in the report itself.

This proposal demonstrates once again the true warmongering nature of the EU and the need to break with its policy and its anti-grassroots structure as a whole and to keep fighting to establish grassroots power, so that our country can decide on the type and sources of its weapons solely in keeping with its real defence needs and not on the basis of the aggressive plans of the EU and NATO and the interests of the large European and American arms industries.

Carl Schlyter (Verts/ALE), in writing. – (SV) I do not want an internal market for weapons. All countries must be able to stop the import and export of weapons if they so wish. It must not be possible for weapons to be exported without hindrance, not even within the EU. Unfortunately, we lost the vote on the amendment to that effect. I therefore abstained in the final vote, as there were also positive aspects to the report, such as enhanced controls to prevent exports to third countries and an increased openness and access to information for non-governmental organisations and others.

– **Report: Matthias Groote (A6-0329/2008)**

Avril Doyle (PPE-DE), in writing. – I welcome MEP Groote's report on the regulation of motor vehicles and engines with respect to curbing emissions as a step forward in ameliorating air quality across Europe and

combating climate change. The introduction of community wide technical rules for trucks, lorries and buses will provide an effective means of tackling pollution. The proposed reduction of nitrogen oxides by 80% and of particulate matter by 66% represent considerable progress and brings us closer in line to levels similar to those established in the US. The report also establishes a clearer system of legislation as directives will be replaced by directly applicable regulations. As Rapporteur on EU - ETS, I am only too aware of the steps we need to take to combat climate change; the combined harmonization and reduction of emissions proposed in the report are issues I fully support.

Edite Estrela (PSE), in writing. – (PT) I voted in favour of Matthias Groote's report on type-approval of motor vehicles and engines, as I feel that the development of common rules limiting emissions of air pollutants from motor vehicles will significantly help to protect the environment and also ensure that the EU's single market functions properly.

I agree with the rapporteur's proposal recommending the introduction of more ambitious limit values for particulate emissions (going beyond the European Commission's proposals) in order to guarantee high levels of protection of human health and the environment, particularly with regard to mitigating the effects of climate change.

Duarte Freitas (PPE-DE), in writing. – (PT) I agree with harmonising the rules on the construction of heavy duty vehicles with regard to air pollutant emissions, because I believe that this is the best way to prevent the Member States applying different standards and to protect the environment.

The general Community system of type-approval of motor vehicles exists to ensure the functioning of the internal market which, let us not forget, is an area without internal borders, where there is free movement of goods, persons, services and capital. We need to update the standards and make them more demanding, so that all Member States ensure that less polluting heavy duty vehicles are manufactured and have access to repair and maintenance information on these vehicles in a standardised format.

In terms of combating climate change, the EU has demonstrated its great willingness to lead on this issue. This report is simply another weapon in the fight against environmental damage. The further reduction in limit values for damaging emissions of carbon monoxide, hydrocarbons, nitrogen oxides and particulates is the main aspect of this regulation and will certainly bring about an improvement in air quality in Europe.

Małgorzata Handzlik (PPE-DE), in writing. – (PL) The report adopted today introduces harmonised technical provisions for heavy duty vehicles in order to ensure efficient operation of the internal market.

In particular, provisions have been introduced providing for a high level of environmental protection through the introduction of limit values for harmful emissions of carbon monoxide, nitrogen oxides and particulates.

The proposal also provides for access to repair information along exactly the same lines as for Euro 5 and Euro 6.

This is particularly important to ensure that independent market operators have standardised access to information on repairs. Information passed to independent repair workshops must be identical to that available to authorised dealers and repairers. Such provisions will make it easy for independent market operators to undertake repairs. Access to regular technical servicing will therefore become easier. Prices on the market will become more competitive.

Undoubtedly, access to technical information will mean that, regardless of where they are serviced, all vehicles on the roads will be safe and less environmentally damaging.

Ian Hudghton (Verts/ALE), in writing. – I voted in favour of the Groote report and welcome Europe-wide action to limit emissions from heavy duty vehicles.

David Martin (PSE), in writing. – I support this report which will provide harmonized technical rules for trucks, lorries and buses, which they would have to comply with in order to get the necessary type approval. The report will see a reduction of the particle mass by 66% and NOx emissions by 80%. I support this report because of the balance it strikes between CO2 emissions and associated emission reductions. The proposal includes a number of measures relating to access to repair information for new cars, so as to ensure effective competition in the repair market, so that small businesses will not suffer as a result of the report.

– Report: Stavros Arnautakis (A6-0477/2008)

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) The June List's mandate in the European Parliament is based on a promise to voters to work for greater public scrutiny and wise management of the EU's financial resources. Now, the Council is proposing that any EU projects that do not exceed a value of EUR 1 million and that are cofinanced by the European Regional Development Fund, the Cohesion Fund or the European Social Fund should in future be exempt from monitoring and inspection. That is quite simply unacceptable.

We understand that the administrative burden needs to be proportionate to the amounts concerned. Nevertheless, we are critical of the fact that the Council is proposing to leave the field open to the misuse of the EU's resources in this way. For the reasons given above, the June List has chosen to vote against the report.

Sérgio Marques (PPE-DE), *in writing*. – (PT) The Member States have indicated that they have found it difficult to apply Article 55 efficiently. The main difficulties are a disproportionate administrative burden compared with the amounts concerned and an important risk factor in programme implementation.

That is why I voted in favour of this proposal, which aims to amend and simplify this article and which comprises only two points: exclusion of operations cofinanced by the European Social Fund from the scope of Article 55, and establishment of a threshold of EUR 1 million below which projects cofinanced by the European Regional Development Fund or Cohesion Fund would be similarly excluded from the scope of Article 55, both for the purposes of calculating maximum eligible expenditure and for monitoring. The other provisions of Article 55 remain unchanged.

– Report: Giuseppe Gargani (A6-0483/2008)

Robert Atkins (PPE-DE), *in writing*. – I and my British Conservative colleagues are supportive of improvements regarding the conditions of employment for accredited parliamentary assistants working within the premises of the European Parliament in Brussels, Strasbourg and Luxembourg and, in principle, can see the case for a Statute for Assistants.

However, we are concerned that the Statute remains vague in a number of important respects and would have wished there to be greater clarity on a number of the provisions. For example, on the recruitment of non-EU citizens, the second language requirement and the suggested pay grades.

In view of these concerns, we have abstained on the final vote.

Alessandro Battilocchio (PSE), *in writing*. – (IT) Mr President, ladies and gentlemen, after many years of work involving this Parliament, today we are going to adopt, to universal satisfaction, a measure designed to have a significant effect on work within the Community institutions.

In particular, I would like to emphasise the positive nature of the new rules for the parliamentary assistants system, which will bear the hallmark of transparency and balance, while leaving a discretionary choice in the hands of MEPs. This is a significant step forward and, at the same time, sends a positive signal to the outside world.

Dragoş Florin David (PPE-DE), *in writing*. – (RO) I voted in favour of the proposal for a Council regulation amending the Conditions of employment of other servants of the European Communities because local assistant contracts are to be administered by paying agents, whose role will be to ensure the effective management of the parliamentary assistance allowance allocated to each Member, for which they will be held responsible, thereby putting an end to the uncertainties and ambiguities obtaining under the current arrangements, which have come in for criticism.

Accredited parliamentary assistants will, conversely, be the subject of special arrangements coming under the Staff Regulations and more specifically the Conditions of employment of other servants of the European Communities (CEOS). The proposal for a regulation, which the Commission submitted following negotiations conducted on the basis of the findings of an EP Bureau working party chaired by Martine Roure, is of an exceptional nature and is also complex and, in many aspects, complicated. These aspects have been taken into account in the report and were the subject of long and detailed discussions within the Committee on Legal Affairs.

Edite Estrela (PSE), *in writing*. – (PT) I voted in favour of Giuseppe Gargani's report on the Conditions of employment of other servants of the European Communities because I feel that the proposal to introduce

a new category of staff specific to the European Parliament, covering parliamentary assistants who work in one of the three places of work of the European Parliament (Brussels, Strasbourg and Luxembourg), will clarify and improve the current situation of these assistants, while respecting the specific nature of their duties.

The new system of contracting now proposed for parliamentary assistants, which involves a special arrangement whereby these assistants will in future be employed by way of direct contracts with the European Parliament, is essential to ensure respect for the principles of equality, non-discrimination and transparency in contracts, and also the legal certainty of these workers.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) We voted against the report on amending the conditions of employment of assistants to MEPs. We have absolutely nothing against ensuring that assistants in the European Parliament have reasonable salaries and working conditions. However, we have no more desire to transfer MEPs' assistants to the 'EU tax haven' than we had to transfer MEPs to a pay system within the EU with a favourable EU tax.

Both MEPs and their assistants must be rooted in the realities of their own country. Pay and benefits must be linked to the conditions in their Member States or, in the case of the assistants, to the conditions in the place where they live and work. Neither MEPs nor their assistants should be isolated in an 'EU bubble' with high salaries and attractive benefits way above the reality experienced by the citizens they are supposed to represent.

We therefore voted against this proposal for an EU statute for assistants. For us, it is a matter of principle that has nothing to do with the financial conditions for assistants as such.

Małgorzata Handzlik (PPE-DE), in writing. – (PL) The report adopted today will help improve the employment conditions of accredited parliamentary assistants undertaking their duties in one of Parliament's three places of work. The changes it contains have long been awaited both by the assistants themselves and by Members of this House. The report introduces a distinction between local assistants and accredited assistants, in view of the specific nature of the work of the latter group of assistants.

Pursuant to the clearly drafted assistants' statute, accredited parliamentary assistants will henceforth enjoy many privileges hitherto reserved exclusively for servants of the other European institutions. Most importantly, they will benefit from privileges that will eliminate unnecessary uncertainty relating, for instance, to where taxes should be paid, healthcare and social insurance. In addition, the statute will put an end to the lack of clarity relating to assistants' remuneration. Assistants will be allocated to specific grades and basic rates of remuneration clearly laid down.

The statute also benefits Members of this House. Mutual trust constitutes the main foundation of Members' work with the assistants they employ and of their relationship with the latter. The statute does not restrict Members' freedom to choose the assistants they wish to work with. It does not therefore endanger the independence of Members of the European Parliament in the exercise of their duties.

Jens Holm and Eva-Britt Svensson (GUE/NGL), in writing. – The new harmonisation rules for parliamentary assistants ('other civil servants') are not satisfactory from a Nordic employee perspective. We consider that the new rules will lower social standards as regards family benefits and social benefits for the care of sick children, etc. There are also serious concerns about how the new rules will affect pension rights, unemployment benefits and the protection of employees against dismissal.

However, one should remember the background for the proposal. There are serious problems for assistants on unregulated contracts at the European Parliament. They are at times working in appalling conditions. This new regulation will put an end to that practice. We voted in favour of the proposal in solidarity with assistants who are exploited by greedy MEPs/employers.

Andrzej Jan Szejna (PSE), in writing. – (PL) I have today voted in favour of the report by Mr Gargani on Conditions of employment of other servants of the European Communities.

The report distinguishes between local assistants and accredited parliamentary assistants.

It should be clearly stated that accredited parliamentary assistants undertaking duties for a Member or Members of this House have particular duties towards the latter consequent upon their relationship being based on mutual trust.

This distinguishes accredited assistants from other EU servants whose working conditions are based on the criteria of transparency, objective assessment and loyalty towards the institutions.

The special situation of assistants must not be construed as giving them privileged or direct access to posts of officials or other categories of servants of the European Communities.

Parliament's adoption of the report in question means that, in the next parliamentary term starting in 2009, the social and tax conditions enjoyed by servants of the Communities will apply to all accredited parliamentary assistants employed by MEPs.

– Report: Simon Busuttil (A6-0446/2008)

Glyn Ford (PSE), in writing. – As a member of the Committee on Petitions I welcome the report by my colleague Simon Busuttil on misleading directory companies. The companies are nasty parasites on small- and medium-sized enterprises (SMEs) in the Union. They write deeply ambiguous letters to SMEs inviting them to complete or update their business name and contact details, giving them the false impression that they will be listed in a business directory free of charge. As such, these are often dealt with by junior members of staff.

Signatories and companies consequently discover they have unintentionally signed up to a contract, normally binding for a minimum period of three years, at an annual cost of EUR 1 000 plus.

The 400 petitions received from SMEs detail the harassment, stress, embarrassment, frustration and financial loss suffered because of the actions of these conmen and women. This report rightly applauds the action by the Austrian Government to outlaw these practices. What this report demands is that the Commission and the other 26 Member States follow Austria's example and root out the activities of these fraudsters.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) We have chosen to vote in favour of this report by the European Parliament. However, we have reservations about the proposal in paragraph 13 regarding the extension of the scope of Directive 2005/29/EC.

It is good that the report singles out Austria and Belgium as good examples in connection with the work to get rid of misleading directory companies. We believe that it may be sufficient in Europe to hold these countries up as good examples. The legislators in the Member States are surely competent enough to take note of the good examples provided by other countries and to take decisions themselves on new laws addressing the problems within this area for companies in their respective Member States. Institutional competition between Member States is fundamental to solving problems exactly like the one dealt with in this report.

Ian Hudghton (Verts/ALE), in writing. – Businesses across Europe have fallen victim to scams such as the European City Guides. Legal measures to prevent these scams are essential and the Busuttil report is accordingly to be welcomed.

David Martin (PSE), in writing. – I voted in favour of this report in response to the many constituency concerns that have been raised with me over misleading companies. Many enterprises, mostly small businesses in Scotland, have suffered financially, and have been harassed and threatened with legal action. This report will raise awareness on the issue so that fewer businesses fall victim to scams, urging EU countries to tighten national laws and ensure that existing EU law on misleading advertising and unfair commercial practices is adequately enforced. I support this report because it urges the commission to step up its monitoring of the implementation of EU law and improve existing EU law where it is established that it is not adequate in order to stop these scams once and for all.

Nicolae Vlad Popa (PPE-DE), in writing. – (RO) I supported the adoption of the Busuttil report as it calls on the Commission to improve current EU legislation by guaranteeing protection to companies and individuals against misleading advertising.

Implementing this report will enable the authorities in Member States to take joint action to prevent any further spread of directory companies' misleading practices and to introduce effective measures which will put directory companies out of business and enable those who run them to be punished. It will also provide victims of these frauds, which are generally SMEs, with an effective remedy for cancelling contracts signed as a result of misleading advertising and for obtaining compensation for the losses suffered.

I have received many letters from companies in Romania which have been victims of scams of this kind. Adopting the Busuttil report will raise public awareness of this matter and I hope that it will therefore lead to a drop in the number of companies falling victim to these practices.

Catherine Stihler (PSE), in writing. – I am pleased that today the European Parliament has acted to combat the fraud which is the European City Guide. Many of my Scottish constituents were the victims of this scam and found themselves facing bills which they had not signed up for. These misleading sales techniques which involve ordinary people are wrong and need to be stopped. The Committee on Petitions should be congratulated for putting this on today's agenda.

Glenis Willmott (PSE), in writing. – I voted in favour of this report to stop misleading advertising by business directory companies such as the European City Guide. Over the last few years I have been contacted by a wide range of small businesses across the East Midlands, from Nottingham to Northampton. These businesses have been taken in by what is clearly a scam and I strongly support the creation of a European blacklist and action to put an end to misleading advertising.

5. Corrections to votes and voting intentions: see Minutes

(The sitting was suspended at 9.50 a.m. and resumed at 10 a.m.)

IN THE CHAIR: MR PÖTTERING

President

6. Outcome of the European Council on 11-12 December 2008 - French Presidency's term of office (debate)

President. – The next item is the statements by the Council and the Commission on the outcome of the European Council of 11 and 12 December, together with the statement by the President-in-Office of the Council on the activity report of the French Presidency.

I would like to welcome very warmly the President of the European Council, the French President, Nicolas Sarkozy. Welcome to the European Parliament for the third time during the French Presidency!

I would also like to welcome very warmly the President of the European Commission, José Manuel Durão Barroso, and the representatives of the Commission. I am pleased to see several Commissioners here today. A very warm welcome to you all!

(Applause)

Ladies and gentlemen, it is the job of the group chairmen and your job, if you are speaking on behalf of your group, to carry out an assessment. However, I would like first to make a few introductory remarks.

President Sarkozy, you took over the presidency during an eventful period when determined negotiation and action were needed. You have faced up to these challenges, including the problem of Georgia, the financial crisis, the economic difficulties and other problems. You are here in the Parliament for the third time in your role as President of the European Council, and you previously visited the Parliament and spoke to us before taking on the office of President of the European Council.

You have also held the Conference of Presidents in your official residence, the Élysée Palace, on several occasions and you invited the Commission and the Parliament to the capital of your country for an impressive celebration on 1 July, the day on which you took over the presidency, which was also an inspiring demonstration of your determination to unite Europe.

We met again in Paris on 13 and 14 July. On 13 July the occasion was the Mediterranean Summit called to found the Union for the Mediterranean. On 11 November, 90 years after the end of the First World War, you also invited us to a remembrance service in Verdun.

All of these occasions are expressions of your appreciation of the European Parliament. I would like to thank you very warmly for this. Now I would ask you to speak to the European Parliament.

Nicolas Sarkozy, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, when France took over the presidency, the situation in Europe was dominated by the standstill in the process of ratifying the Treaty of Lisbon following Ireland's vote to reject that Treaty.

We had no idea at the time that war would break out between Georgia and Russia, and we also had no idea of the severity of the financial, and then economic, crisis with which Europe would be faced.

Mr President, the French Presidency has tried to base all its actions on two convictions: the first is that the world needs a strong Europe, and the second is that Europe cannot be strong if it is divided. Of course, I am sure that these are not original ideas, but they are no less vital for that.

We have tried, over the last six months, to ensure that Europe is united and strong, and that it thinks for itself. What is a strong Europe? It is a Europe that thinks, that has convictions, that has answers and that has imagination. It is a Europe that is not content to follow a lead, and that rejects a consensus based solely on what is left unsaid, on disposing of problems and on time healing all wounds, as I am convinced that, the more we wait, the more complicated things get.

In the end, this Presidency played out to the rhythm of international events that overturned the organisation of our work, and it is certainly not up to me to take stock of it. I simply wanted to tell you how we faced up to these various challenges.

When the crisis in Georgia arose in August, on 8 August, we had just one focus: stopping the war and not allowing it to turn into another Bosnia. To be frank, and without wishing to judge too harshly, when the conflict took off in Bosnia – in Europe – Europe was not there. It was the United States, our friends and allies, that shouldered their responsibilities, and Europe that had to follow their lead.

The Presidency was passionate about ensuring that Europe shouldered its responsibilities, and in August we started by negotiating the ceasefire, on 12 August, followed by a withdrawal agreement on 12 September. In the end, war was avoided, the retreat was started and, above all – thanks to all the Member States of the EU – Europe remained united.

This was not a foregone conclusion because, given the history of our various countries, a painful history for those Europeans who lived for so many years behind the Iron Curtain, in a humiliated Europe, a divided Europe, a sacrificed Europe, it was quite natural that certain countries would have different feelings towards our Russian neighbours from those who have only known freedom.

Despite that, Europe remained united, and the Presidency, alongside the President of the European Commission, made every effort to avoid the war spiralling out of control. On 8 August, Russian troops were 40 km outside Tbilisi; today, practically all of the Russian troops have left the territory of Georgia, apart from Ossetia and Abkhazia.

Europe made its presence felt, without, however, getting involved in an aggressive policy in our Russian neighbours' backyard. I am convinced that our only option for the future is to work with our neighbours to achieve a situation of economic development, security and peace, explaining to them that, if they want to count on a global level – and Russia is a big country – they will need to respect values, practices and behaviours very different from those that they used to espouse in Europe, in another era.

(Applause)

Europe was present. Then came the financial crisis. It was not born in August 2007, as I have heard people say: August 2007 was when the problems started, but the systemic financial crisis that has been experienced throughout the world started when the United States decided, in what has turned out to be an extremely serious move, to allow Lehman Brothers to go bankrupt on 18 September 2008. It was then, and only then, that we found ourselves in a financial crisis on a globally unprecedented scale.

We, along with President Barroso, have tried to achieve two things. The first was European unity, which we have developed progressively: first by bringing together the four largest countries in Europe with the Commission, the European Central Bank and the President of the Eurogroup; then by arranging, for the first time since 2000, a meeting of the countries in the Eurogroup at Head of State or Government level, and, finally, in September, by bringing together all the Heads of State or Government, we have developed a recovery plan for European banks that is supported by all the countries of Europe. It was, as you know, difficult, because the severity of the crisis had led certain countries to take premature decisions: I am sure

they could not have done otherwise, for example the Irish when overwhelmed by the attacks on the whole of their banking system.

In the end, a month later, the whole of Europe united around a single plan to support the banks, and we, with President Barroso, have attempted to turn the European support plan to stop our banking system collapsing into a global plan. The United States have progressed from Paulson Plan I to Paulson Plan II, and have now got to Paulson Plan III, which is clearly inspired by European Plan I.

I am not claiming that everything has been fixed; I am simply saying that, had the Member States, the Commission and the European institutions not shouldered their responsibilities at that time, ladies and gentlemen, we would have been facing the unprecedented prospect of the collapse or bankruptcy of certain Member States, and the destruction of the European banking system.

Europe has demonstrated its unity and solidarity. I am thinking in particular of that infamous weekend when we needed to mobilise EUR 22 billion in credit for Hungary, which was itself under attack after it had been necessary to mobilise EUR 17 billion for Ukraine. There is still some concern regarding certain Baltic countries, not to mention the other global problems we need to tackle.

In the financial crisis, Europe has been united: it called for the Washington Summit, it called for the G20, and it will organise, in London on 2 April, the summit on the reform of global financial governance. Europe has spoken with one voice to say that it wants capitalism based on entrepreneurship, not speculation, that it wants a reform of the financial system, that it wants a different role for the emerging countries and that it wants ethical capitalism; Europe has spoken with one voice to defend its principles.

With regard to the economic crisis, the debate has not been straightforward, ladies and gentlemen. It has not been straightforward for two reasons. The first is that the financial situation is not the same in all our countries; the second is that our economic cultures, and political identities, are not the same. Even so, at the end of the day, everybody recognised the need for a coordinated boost of around 1.5% of GDP, as the Commission recommended.

I fully understand that people may be surprised at disagreements here and there, hesitations, confusion and misunderstandings. I would remind those who are watching Europe that there are 27 countries here, and that it is not easy to give those 27 countries the same policy at the same time, when any country could be subject to electoral pressures – because we do not all have elections on the same day – and in this House, the temple of European democracy, everyone understands that upcoming electoral campaigns are not exactly conducive to obtaining a consensus. In spite of everything, Europe, having established a common policy in the financial crisis, has managed, after a fashion, to establish a common policy for the economic crisis.

We also had the time of the Union for the Mediterranean. I rather assume that it was necessary to coordinate and to compromise in order to make two things clear. One is that, if Europe does not do its bit for peace in the Middle East, nobody will do it for us: there is no one country in the world able to promote peace between Israel and the Arab world. Europe must play its part, and must make its presence felt in order to avoid a head-on collision between the Arab world, on the one hand, and the world's leading power, the United States, on the other.

As for the Union for the Mediterranean, it is an organisation for constant dialogue between Europe and the Mediterranean, including the Arab countries. This is a dialogue that we need and that the Arabs need. Europe needs this so that it can stop simply being a donor and can have political convictions that promote peace, and so that, instead of just being content to pay out, it can also call for peace, a balanced peace, particularly between the Palestinians, who have the right to a modern, democratic, secure state, and Israel, which has the right to security for a country that is a miracle of democracy.

A certain amount of persuasion was needed on the subject of the Union for the Mediterranean: persuasion that the Union for the Mediterranean was not calling into question the unity of Europe but that, on the contrary, it would strengthen it. Finally, ladies and gentlemen, we as Europeans can be proud that the Union for the Mediterranean is co-chaired by the Presidency of the EU and Egypt and that it has five Deputy Secretaries General, including an Israeli and a Palestinian: this is the first time that the Arab countries have accepted an Israeli as a member of the executive of a regional organisation like the Union for the Mediterranean, which is a historic achievement.

I would like to pay tribute to Bernard Kouchner, who negotiated brilliantly at the Marseilles summit to achieve a result that we could not even have dreamed of. In return, the Israelis have agreed to the participation of

the Arab League in the work of the Union for the Mediterranean. This Union will in no way hinder the Czech, and then Swedish, Presidency from developing, in future, the Eastern partnerships that Europe needs.

Now we turn to energy and climate change. On this subject, let us be quite clear: this was an infamous battle, and I am quite sure that everyone has reason to be dissatisfied. Some feel that we are expecting too much of industry; others, that we are not expecting enough; one group thinks we should go this way; another group thinks we should go that way. In the end, the German Presidency set a deadline of the end of 2008. The German Presidency had set three objectives – the ‘triple 20’ – and, at its heart, the agreement that we sealed at the European Council, and that I hope will be adopted by the European Parliament tomorrow, meets the objectives you set yourselves.

I must be honest and say that all parties needed to be reminded of their responsibilities. It would have been madness, just at the moment when a new President of the United States was setting ambitious environmental targets for the most powerful country in the world, for Europe to give up on its own targets. It would have been irresponsible, because, had Europe not reached unanimity on the Commission's energy and climate change package, we would not have been able to expect to be listened to by India, China, Brazil, and all the other countries in the world that now need to take responsibility for the environmental balance of the planet.

To get to that point, we had to be persuasive, and we had to find areas for compromise. What were they? I stated that we would never give up on the timetable or on the triple 20 objective, but everyone here needs to understand that countries such as the new Eastern Member States, where heavy industry has been a victim of the transition from the communist system to the market economy, agreed to retain the reference to 2005 even though they had good reason to call for a different reference year, for example 1990, to be used. That would not have been a surprise in view of what has happened in those countries and what they have undergone. I am speaking under the watchful eye of Jean-Louis Borloo, who provided complete, unwavering and effective support in these negotiations. I did not want a proactive approach to the environment to be achieved at the expense of a social policy that would cause these new members of the EU to collapse.

To the fundamentalists I would say that, for me, it was never a matter of not imposing environmental requirements on Poland, Hungary and the others, but rather of not putting those countries in a situation of social collapse and of not forcing them to choose between environmental protection and growth. What we proposed was a new kind of growth: sustainable, green growth that would avoid soaring prices and the kind of impact on Polish, Hungarian and Eastern workers that no democratic country in the world could tolerate.

I would also add that I listened carefully to your concerns on my last visit to Parliament. Some of you – and I do understand this – told me ‘you have given up on your aims, Mr President, because you accepted unanimity for the Council's decision’. I agreed to unanimity for one simple reason: the environmental choices that Europe makes must not be forced choices, but deliberate choices. Can you imagine how weak an agreement obtained by majority voting would have been, with a number of countries that would not have stuck to it? How credible would the energy and climate change package have been if it were ratified by a majority, when everyone can see that it is unanimity that guarantees that our political commitments will be met?

(Applause)

Moreover, some of you have reminded me that this was a matter for codecision, and I would like to say that I made use of that. In my discussion with my fellow Heads of State or Government, I must in all honesty say, Mr President, that the watchful presence of a Parliament determined to reach an agreement on the energy and climate change package was an influential motivating factor for those Heads of State or Government who were less willing than others to reach conclusions.

In any event, I am here today bringing the unanimous agreement of all 27 Heads of State or Government on the energy and climate change package. Do with it what you will.

I will finish with two brief points. With regard to migration policy, it is inconceivable for Europe – most of whose countries are in the Schengen area, which is based on the free movement of persons and goods – to keep going without developing common principles for establishing a common immigration policy. The work has been done and, I have to say, it was done without excessive hype. You in the European Parliament have done a lot to bring a note of calm to a debate on immigration policy that, at national level, is not always exemplary in terms of respect for people, calm, consideration and responsibility. We now have a unanimous foundation for a common immigration policy.

Turning briefly to defence, I, along with Chancellor Merkel, will have the opportunity next year to organise the Kehl/Strasbourg NATO Summit. To my mind, the important decision we have made here is that, from

now on, the 27 countries understand that the security and defence policy is Europe's and NATO's, that Europe's security and defence policy is complementary to NATO's, not in opposition to it.

Finally, we have the institutional problem. Following the 'no' vote in Ireland, I went to Dublin with Bernard Kouchner, at the invitation of Brian Cowen, the Irish Prime Minister, and I stated then, to people's shock at the time, that the only way of getting out of the problem was to consult our Irish friends again. This statement provoked debate, as if it were disrespectful to people to ask that they get another opportunity to decide!

How do things look today? Today, 25 countries have all but completed the process of ratifying the Treaty of Lisbon. The 26th, the Czech Republic, has just taken an important decision, in that the Constitutional Court has stated that the Lisbon ratification process can take place, and Prime Minister Topolánek has indicated, in a courageous and responsible statement, that his ambition is to propose the ratification of the Treaty of Lisbon. That leaves us with the Irish.

This is the agreement that we have reached unanimously. It is a very simple agreement. It consists, primarily, in guaranteeing that, if the Treaty of Lisbon enters into force, there will be one Commissioner per Member State. I know that this is a stretch for some of you, as it is for certain governments which believed that the Commission needed to be smaller in order to be more effective. I would, however, ask you to consider this: if we want Lisbon – and Europe needs strong, sustainable institutions – we can only have it if the Irish vote and say 'yes', and in order for them to say 'yes', we need a new situation. The European Council proposes that this new situation should be one Commissioner per Member State.

The second element of the agreement is that we have made certain political commitments relating to the specific features of the Irish debate, such as neutrality, taxation and family. These political commitments were not difficult to make, so where is the problem? It is best to lay everything on the table. The problem is the legal force that these political commitments will have, because Ireland has a Constitutional Court, and there is no doubt that the 'no' campaign – as is their right – will go to the Irish Constitutional Court to ask what force these political commitments have.

The compromise suggested by the Presidency is this: no re-ratification of the Treaty of Lisbon for those who have already done so, and no amendment of the Treaty of Lisbon. There is no point, in my view, in solving one problem by creating 26 others. That much is clear. On the other hand, the next time Europe enlarges – probably to include Croatia in 2010 or 2011 if all goes according to plan – at that point, Mr President, we will need a new treaty in order to enlarge Europe with a new member. We have therefore proposed that, at the time when Europe enlarges, and not until then, we will add two elements to Croatia's Treaty of Accession: the first will be an 'Irish' protocol, and the second will relate to the number of MEPs. The European elections will be held on the basis of the Treaty of Nice. I do not see that there is any other option, because certain States were granted additional MEPs under the Treaty of Lisbon. We could also deal with this problem on the occasion of the next enlargement.

On this basis, the Irish Government has bravely committed itself to carrying out another referendum on the Treaty of Lisbon before the end of 2009. That means that, if things turn out as I hope they will – though it is up to the Irish to decide – the Treaty of Lisbon will enter into force only one year late.

Ladies and gentlemen, this too was not a simple matter to discuss or to organise, nor will it be easy, either for the Irish or for others, but the European spirit is, first of all, a spirit of compromise. If we cannot reach a compromise between 27 of us, it is not worth having a European ideal. The European ideal is to listen to others and to work together to find shared paths to get round problems.

I would like to conclude by thanking, first of all, the European Parliament. I would also say that it has been very easy, and very pleasurable, for the Presidency to keep in contact with all of the groups in this House, whatever their political leanings, left or right, liberal or green, sovereigntists or federalists. You have all shown a desire to move Europe forward, in your own ways. I must in all honesty say that, for the Presidency, Parliament has played a decisive role in obtaining results. I would even say that it has been easier to talk, to work and to negotiate with the European Parliament than with certain other contacts, mentioning no names. At the end of a presidency, one should be specific in one's compliments, but general in one's regrets.

I would also like to say that we have endeavoured to work in tandem with the President of the Commission, each being aware of our own responsibilities, and, to do him justice, the Presidency could never have achieved the results it did without working hand in hand with President Barroso. I think this is important to say because it is the truth, at least in my experience.

Finally, I would like to thank the Heads of State or Government. Ladies and gentlemen, we will not build Europe in opposition to the States: that much is obvious. However European you are, Europe is not the enemy of the nations, and the nations are not the enemy of Europe. I will tell you one thing: if we had not tried to understand the problems of each democratic government, we would not have got very far. It is a mistake to try to go over the heads of the elected representatives of their countries: that is not a European ideal, that is fundamentalism, and I have fought against fundamentalism all my life, even European fundamentalism, because, when I hear 'European fundamentalism', I forget the word Europe and only hear the word fundamentalism, and fundamentalism is never a good idea. It would be a mistake of historic proportions to try to build Europe in opposition to the nations. The Heads of Government have taken on their responsibilities, and the countries have taken on theirs.

To conclude, I would like to say, on a personal level, that I have learned a lot during the six months of the Presidency and that I have enjoyed the work a great deal. I understand why MEPs are passionate about what they do, because, when we have an opportunity to spend six months to understand and grapple with the problems of 27 countries, we gain in tolerance, in openness of spirit and in understanding that Europe is without doubt the most beautiful idea invented in the 20th century and that we need this Europe now more than ever. I have tried to make Europe move, but Europe has changed me. I want to say one more thing, because it is my very profound belief.

(Applause)

I really do think that every Head of State or Government would benefit from undertaking this responsibility at one time or another, first of all because it will help them to understand that the problems they experience in their countries can often only be solved in agreement with their neighbours. They will also learn that, despite our differences, there are many, many things that bring us together, and they will also learn something more important: that it is easier for Europe to have big ambitions than small ones.

The final thing that I believe from the bottom of my heart is that, in the European Council, the European Parliament and the European Commission, it is easier to succeed with big projects than with small ones, because small projects do not have the momentum they need to overcome national egos. Big projects, big ambitions and big ideas are needed: with these big ideas and big ambitions, we can overcome national egos. Consequently, may Europe stay ambitious, and may it understand that the world needs it to take decisions! When we brush things under the carpet, we store up trouble for the future. Problems need to be dealt with here and now, and it is not true that the European institutions stop decisions being taken. What prevents decisions being taken is a lack of courage, a lack of drive: it is the weakening of an ideal. Decisions cannot wait for Lisbon! We must not wait for tomorrow, but take decisions now, and I have every confidence in the Czech Presidency that it will keep up the work of the French Presidency.

(Loud applause)

President. – Mr President-in-Office of the Council, we would like to thank you – and the applause was a clear expression of our thanks – for your speech, but in particular for your courage and your determination to serve Europe.

Before I give the President of the Commission the floor, I would like to welcome warmly the two ministers Bernard Kouchner and Jean Louis Borloo who have made a significant contribution to the success of the French Presidency. I extend a very warm welcome to both of you.

I would like first of all to welcome Bruno Le Maire, Minister of State for European Affairs, who is the successor to Jean-Pierre Jouyet. Jean-Pierre Jouyet is now the chairman of the French financial markets regulator and we have worked together with him very successfully in the past. I would like to take this opportunity to offer him my sincere thanks.

I hope you will allow me in the presence of the other European institutions – I know that this is not normal practice – to congratulate Klaus Hänsch, former President of the European Parliament from 1994 to 1997 and Member of the European Parliament since its first direct elections, on his 70th birthday yesterday. I would like to offer him our sincere thanks and our recognition of all his hard work for Parliament and for the European Union.

Now I would like to ask the President of the European Commission, José Manuel Durão Barroso, to speak to the European Parliament.

José Manuel Barroso, *President of the Commission*. – (FR) Mr President, Mr President-in-Office of the Council, ladies and gentlemen, the outcome of the last European Council will be written in the history of the EU. It is rare for a European Council to have to take so many decisions on such basic political issues. Rarely has Europe been able to express its satisfaction at so many positive results, and even a threefold success. In a difficult and even urgent crisis situation, we have managed to make considerable progress for the future of Europe and Europeans. That is the Europe to which we are all so attached: a Europe that is capable of the best.

In addition to other important conclusions, particularly relating to security and defence policy, the Union for the Mediterranean and the new Eastern Partnership, I would like to emphasise three particular fields: the Treaty of Lisbon, economic recovery, and energy and climate change.

The 27 Member States have worked together to find a common path to continue the political process towards the Treaty of Lisbon. We in the European Commission have always supported this Treaty, and we had reason to think that, by taking the time to listen to the concerns of our Irish friends, together we would be able to find the elements for a solution.

In a positive response to the Commission's initiative of 26 November, 27 Member States decided to coordinate their economic recovery plans to weather an unusually severe storm. Today, we have an agreement on a boost to the economy of around 1.5% of the EU's GDP, as the Commission recommended. This coordinated plan will tackle the recession, in particular with more help for the most vulnerable people in society. At the same time, it will enable us to invest in our economies to adapt them to future challenges. This means that this crisis will give us the opportunity to increase investment in social Europe and in a Europe of reform.

Following on from the legislative proposals presented by the Commission on 23 January 2008, and on the basis of a strong contribution from the European Parliament, 27 Member States unanimously agreed to make a commitment to transform Europe into a green, low-energy economy for future generations. The agreement on our energy and climate policy sticks to the objective of achieving '3 times 20%' by 2020. This historic breakthrough, if it is confirmed in this House tomorrow, signals a victory for Europe as a partner, in other words for European institutions that have worked hand in hand with the Member States in a spirit of cooperation and with a strong common will to succeed.

I would like, at this point, to reiterate our gratitude to the French Presidency of the Council for the success of Europe as a partner. Mr President, your Presidency has seen some exceptionally intense political circumstances, as you reminded us just now: the unprecedented financial crisis, and the war between Russia and Georgia. Your Presidency faced these problems effectively, calmly and, dare I say it, with flair and panache. France is back in Europe, you said on the evening of your election, and we do not doubt it for a minute: I would even say that we have not had a moment to doubt it, about which we are delighted.

I would therefore like to congratulate most sincerely President Sarkozy and the French Presidency's entire team: the members of his government, the diplomats and the experts. You have done an outstanding job.

On behalf of Europe, thank you.

(Applause)

Staying with the success of Europe as a partner, I would also like to say that I am very proud of the central role played by the Commission, of its ability to take the political initiative based on solid technical preparation, and of the relevance of its proposals. The Commission has proven that it is still the indispensable lever in transforming political dreams into real action. It was on the basis of the Commission's proposals on energy and climate change, starting at Hampton Court in the autumn of 2005, via the political agreement on the objectives in March 2007 and under the German Presidency, and ending up with the legislative proposals in January 2008, that the Member States were able to reach a unanimous agreement. It was also on the basis of proposals made by the Commission on 29 October and 26 November that the Member States managed to reach agreement on a joint recovery plan.

The strong support for these proposals has enabled us to begin a new era in Europe, and I would stress that, without the Presidency's commitment to a more political Europe, it would have been very difficult, if not impossible, to achieve these commitments. Bear in mind that I have worked with nine Presidents of the European Council and I can tell you how difficult it is, these days, to reach a consensus between 27 Member States who, quite naturally, sometimes have differing priorities. That is why we need this spirit of partnership in Europe.

Finally, still on the success of Europe as a partner, I would also like to pay real tribute to the fantastic work that the European Parliament has done over recent months, particularly on the climate change package. Nothing would have been possible without Parliament's commitment and without the tireless work of your rapporteurs, committee chairmen and coordinators of political groups. The final compromise that emerged from the trialogues this weekend evidently bears the hallmark of this commitment, be it on the emissions trading scheme, the division of labour, renewable energy or carbon capture and storage, in which connection the arguments put forward by Parliament have made it possible to increase the quota volume available for this funding to 300 million tonnes.

Since the beginning, the European Parliament has shown that it understands the global context: it is a project for Europe, yes, but it also involves a contribution to global efforts and the cornerstone of our strategy with a view to the Copenhagen negotiations next year.

I therefore hope that tomorrow's plenary sitting will approve, by a large majority, the result of this work. You, the European Parliament, hold the final key to the final door that will allow a Europe of the 21st century to take flight. Europe will be the first global player to accept legally binding rules to reduce its greenhouse gas emissions by 20% by 2020, whilst making clear commitment to aim for 30% as part of an international agreement.

By adopting this agreement by a very large majority, Parliament will be sending a very strong message to our partners. We also need the commitment of our partners, particularly our US partners, which is why, as I said at the end of the European Council, now that we Europeans are taking the lead on this matter, we can say to our US friends: 'Yes you can! We can; yes, you can!' That is the message we need to send to the United States so that, with us, they can work to achieve a real global agreement.

The world around us is changing and so is Europe. Together we have taken a number of crucial decisions in order to give the European Union the means to succeed in the age of globalisation, to protect citizens from the fallout of an economic and financial crisis, to create the conditions for a return to sustainable growth and also to lead the efforts for a reform of the financial system and for global governance. We have come a long way over the last few months in addressing these challenges but – let us be clear – a lot still remains to be done in the weeks and months to come.

On climate change, we now need to turn our attention to the road to Copenhagen. On global governance, and especially on the reform of the financial system, we need to prepare the G20 summit in London. On the economic recovery plan, we need to translate political agreement into concrete action. In all these areas, continued close cooperation between the Community institutions will remain key to success. In particular, with regard to the financial and economic crisis, we will need the backing of Parliament and Council as co-legislators and budgetary authority. I will have the opportunity to discuss this in more detail with the European Parliament's Conference of Presidents tomorrow morning, but let me now give you a brief glimpse of what lies ahead.

With regard to the Community budget, we will step up advance payments from early 2009 so that Member States have earlier access to up to EUR 1.8 billion. Today the Commission will adopt a proposal to adapt the European Globalisation Adjustment Fund to the current situation and to facilitate access. With regard to the use of unspent money from the Community budget, the European Council has given the Commission the green light to propose a reallocation for trans-European energy interconnection and broadband infrastructure projects and to promote energy efficiency. We envisage an amount of EUR 5 billion for 2009 and 2010. An important sum will be reserved for the demonstration projects in carbon capture and storage, complementing financing under the emissions trading system.

I rely on this Parliament's support to convince all those who still resist the use of these unspent funds. I trust the French presidency to turn the clear political conclusions of the European Council into reality. Let us be clear about this. It is important that the ambition that was shown by the European Council is now accepted at all levels of the decision-making process.

In order to accelerate investments by Member States, the Commission will also this week propose a temporary exemption of two years beyond the *de minimis* threshold for state aid, up to EUR 500 000. I would also like to mention the use for 2009 and 2010 of accelerated procedures in the public procurement directives, given the current exceptional circumstances. But let me be clear. While the current crisis calls for an acceleration of procedures, it can under no circumstances serve as a pretext for suspending competition or state aid rules, which are the backbone of our single market. We need to keep the integrity of our internal market. This is one of the most important European achievements – as is, by the way, the euro. That is why we need to keep

the Stability and Growth Pact and the internal market rules if we want to have a European response that is really European.

The Commission will also make sure that Member States respect their commitment to pursue their national efforts in a coordinated manner. We will do so via our well-tested instruments – the Lisbon Strategy for Growth and Jobs, and the Stability and Growth Pact.

We are living in extraordinary times which require extraordinary measures. The French presidency has played a crucial role in short-term crisis management, as well as in putting Europe on the path towards long-term recovery and a return to sustainable growth, but a lot remains to be done over the coming months. I trust that, by maintaining a Europe of partnership between the European Commission, the European Parliament and the Council, we will succeed, to the benefit of all Europeans.

President. – President of the Commission, we would like to thank you for your speech and, in particular, for your commitment.

Joseph Daul, on behalf of the PPE-DE Group. – (FR) Mr President, Mr President-in-Office of the Council, President of the European Commission, ladies and gentlemen, I would like, first of all, to pay tribute to the remarkable efforts made by the Presidency of the Council over the last six months.

Mr Sarkozy, in a very short time, you have managed to create a true political Europe: a Europe that stood up to Russia, that made the G20 meeting a possibility, that is now a respected player in the reforms of the global financial architecture and that has established for itself a pragmatic and ambitious immigration policy; a Europe, finally, that has agreed on the means for giving a coordinated response to the economic crisis and that has taken the lead in international negotiations on the fight against climate change.

Mr President, in the results of your Presidency, you are the very illustration of the idea of political action that the centre right has always espoused. What our fellow citizens want is specific actions, and pragmatic and rational solutions taken by leaders who know how to stay calm. That is what the European Commission, the European Parliament and the Council have managed to do together, under the aegis of the French Presidency.

In the face of the financial crisis, the policy of guaranteeing bank deposits, of recapitalising institutions at risk and of injecting cash to boost credit, all in a coordinated manner, has allowed us to avoid chain reactions and the loss of thousands of jobs in Europe.

Recent months have shown that only a united, strong Europe can respond to a challenge like the economic and financial crisis, and they have also shown that only our societal model, the social market economy, can provide a proper balance between employers and employees that allows everyone to benefit from the fruits of their labours and to achieve their ambitions without pointless burdens or barriers, and ensure real solidarity. It is this societal model that we in the political centre right want to continue to build.

Mr Barroso, Mr Sarkozy, ladies and gentlemen, I welcome the result achieved during the European Council on the energy and climate change package. It is a result that puts Europe at the forefront in this field and shows that, even on such a complex issue, we can reach agreement unanimously, between 27, in record time.

The package adopted in the Council on Friday, and in the trialogue on Saturday, reconciles the urgency of the climate change problem with the need to stand up for our economic and social interests.

We are coming to the end of a long road of negotiations, and I would like to congratulate all those involved, in particular my fellow Members from my political group. This is not a question of victory or defeat: we have an agreement between the three institutions, and the European Union has shown that it is able to take the lead in the fight against climate change. It now needs to take advantage of this, by redoubling its research efforts and promoting innovation and new technologies.

We also need to put pressure on our trading partners, including the emerging nations, who are some of the biggest polluters, to shoulder their responsibilities. We particularly expect the new Obama administration to take tangible action in this field.

In such turbulent times, one cannot help but see that Europe needs more political stability and effectiveness in its decisions. It is true that we have moved forward in recent months despite the need for unanimity, but there is nothing to suggest that it will be easy to repeat this success.

The Group of the European People's Party (Christian Democrats) calls on every country, every citizen who is consulted, to accept their responsibilities and to decide on the ratification of the Treaty of Lisbon in full knowledge of the facts. We would ask them to distinguish between facile slogans and reality, between populism and responsibility.

What do people want? Do they want a climate change plan of which they can be proud, a social model that they can pass on to their children, or do they want demagogic proposals that do nothing but waste their time? The question answers itself. Saying 'yes' to the Treaty of Lisbon will provide the means to match our ambitions. I will finish, once again, by thanking the French Presidency for its political efforts, and I hope that the next Presidency will show the same commitment. That is my wish for 2009.

(Applause)

Martin Schulz, *on behalf of the PSE Group*. – (FR) Mr President, ladies and gentlemen, you ended your speech, Mr Sarkozy, by saying that you had tried to make Europe move but that Europe had changed you. You are not the only one.

The French Presidency has also changed others, such as Daniel Cohn-Bendit. When we left the Élysée Palace last week, after our meeting there, you provided us with a police escort with flashing lights, and I was in a car with Mr Cohn-Bendit behind the police. I said to him 'Look how times have changed! In 1968, it was the police who were chasing after you, and now it is you who are chasing around Paris behind the police'.

(Applause)

Times have changed, and the French Presidency has also changed a lot of things.

Mr President, last week the German weekly newspaper *Der Spiegel* published a portrait of you entitled 'The Omnipresident'. It is true that you are somewhat omnipresent: one day you are in Paris, the next in Brussels, today in Strasbourg, tomorrow in London, even if Mrs Merkel was not invited. It is not up to me to assess your actions in Paris, because it is not up to me to discuss social imbalances or media policy: that is for my counterparts in Paris to discuss.

It is, however, up to me to discuss, to talk about and to assess your Presidency of the European Union, and the assessment is not bad at all.

(DE) Mr President, ladies and gentlemen, I believe that the French Presidency has produced positive results. The climate change and energy package is a major success. I am grateful that you have paid the European Parliament the tribute that it deserves, because without the Parliament the package would not have been successful. I would also like to thank specifically our rapporteurs. In contrast to the Commission with its 22 000 officials and the major government bodies which you have at your disposal, our rapporteurs have only three, four or five employees. The quality of the work they produce is first-class, because it comes from the European Parliament. It is good that you have acknowledged this.

(Applause)

Let us take the example of the Directive on CO₂ labelling of cars. It contains a lot of work by Mr Sacconi and just a hint of Mr Sarkozy, but overall it is a major success. It is a success for my group, because the Socialist Group in the European Parliament has made a great effort to ensure that there is a balance between the economic necessities which we cannot ignore and the environmental obligations which we must all face up to. I believe that the criticism which we have heard in particular from the areas that you have described indicates that we are on the right track. For this reason, our group will vote unanimously in favour of this package. I hope, dear Joseph, that the Group of the European People's Party (Christian Democrats) and European Democrats will do the same! Or should we be concerned that an amendment will be submitted to postpone the emissions trading scheme? Over the last few days, we have gained a better understanding of what PPE-DE means. PPE is easy to translate, but DE seems to us to stand for European confusion. You should decide what you want to do. Do you want to praise Mr Sarkozy, but not support him, or do you want to adopt this package together with us? We await with interest the PPE-DE Group's vote.

I would like to add that the first reading agreement is an exception. As a Parliament we will not allow the next Council to say to us: 'You did this for the climate change and energy package'. If you have made it clear that the first reading was a means of applying pressure on obstinate Heads of State or Government to make them see reason, then that is a good thing in this case. However, it should not become a precedent in all other cases.

You have acted correctly in the financial crisis. However, let me remind you what my colleague Poul Nyrup Rasmussen and I said here during the debate in July at the beginning of your Presidency. We said that the social imbalances in Europe resulting from the unfair distribution of profits and the unfair distribution of wealth in Europe are a ticking time bomb. The response of the French Presidency was: 'That is not our top priority'. Over the course of the last six months it has become clear to you that it is a top priority. You have acted correctly, but if you had acted earlier, it would have been possible to prevent many of the things from happening which now need to be resolved. Well done, but perhaps slightly too late.

We do not have the Treaty of Lisbon and now we have heard the Council's decision. We have to live with this and we have to accept it. However, all the decisions that you have made on the Commission, on the seats in Parliament, on the concessions to the people of Ireland will be of no use unless a prime minister or a government of Ireland takes the bull by the horns and tells the citizens of Ireland: 'Look what has happened! Look at the solidarity of the Europeans, of the European States with Ireland and imagine what would have happened if Ireland had been facing this financial crisis alone!' If the Irish prime minister does not tell his people: 'Now you must work together in solidarity with the Europeans in your own interest!', then it will all come to nothing again. We can hand over the entire European project to these people, to Mr Ganley and his machinations. We need a bold Irish government that does not negotiate a set of half-baked compromises, but that says: 'We want Europe and we want this treaty!'

(Applause)

The French Presidency was a success. I would like to congratulate you in particular on the fact that you have come out as a pro-European by saying: 'I stand by this European project'. In the past I sometimes had my doubts. I am familiar with many of your speeches. As President you have shown that you have stuck by what you said at the beginning. If the next Presidency does the same, I will be happy. Thank you very much! You have done a lot of good things and some things that are not as good, but we will forget those today. Overall, I believe that the French Presidency has taken Europe forward and that is what it was all about. It was not just about France, but about Europe as a whole and the overall result is good. Thank you very much!

(Loud applause)

Graham Watson, *on behalf of the ALDE Group*. – Mr President, the qualities of this French Presidency have been almost fairytale: a bold prince riding out on the mythical white stallion of EU military deterrence to save our Lady of Georgia, the Cinderella from London finally admitted to the ball and a fair princess in Berlin learning, in response to a note from the Kanzleramt to the Élysée, that, if she wants to be with Prince Charming, she must be ready to kiss a frog.

(Laughter)

President-in-Office, I imagine you would not have chosen the challenges which confronted your presidency, but you have tackled them with energy, with enthusiasm and with creativity, and you have shown the power of European solidarity. We congratulate you on the success of last week's Council. Your timetable for economic recovery will help restore confidence in the markets. Your parrying of protectionism is admirable. Your concessions on state aid and public procurement are reasonable, alongside your commitment to accompany them with the structural reforms laid down in the Lisbon Strategy.

The summit's conclusions allow scope to reduce VAT. Liberal Democrats urge Ecofin to cut VAT now on energy-saving and renewable energy equipment, in order to help industry and the environment. We also welcome the renewed commitment to sustainable public finances and a rapid return to medium-term budgetary targets. Our response to the recession must be based on solidarity and sound economics.

You appear to have found a practical answer to Ireland's worries about the new Treaty. It may not be elegant, but it is worthy of Henry IV of France: *Si Paris valait une messe, Dublin vaut un commissaire*. On security and defence policy, real progress has been made: the creation of a single planning structure for ESDP missions, a structured form of cooperation with NATO and a declaration of our aims and objectives in the struggle for security.

It is, however, on climate change that you may be more harshly judged. A blizzard of corporate concessions has been written into the Council conclusions; new Member States will be bought off with a solidarity slush fund; cap-and-trade emissions permits will be given away when they should have been auctioned, and major players like electricity companies will get derogations that amount to super-subsidies. All of this pushes down the cost of carbon, cuts the cash raised and makes the emissions targets harder to hit. What is more, the emissions trading system will not even come into effect until 2013.

Nonetheless, my group recognises your achievement in reaching that deal. We welcome the agreements on energy saving, on earmarking half the revenues from emissions to further reduce greenhouse gas emissions and on carbon capture and storage. We will support it in tomorrow's vote.

One can always wish for more from any presidency. On CAP reform, we have seen movement. We wanted to see opening-up. On immigration, the Blue Card comes wrapped in red tape and, on trade, the cancellation of this week's Doha talks leaves little hope for progress. But this presidency has been a success for Europe, and you, President-in-Office, deserve the credit.

After these six months you probably also deserve a break. You do not need to do everything. Leave the finance ministers to Jean-Claude Juncker. Leave the euro to Jean-Claude Trichet. End a fairytale presidency with a fairytale ending. Follow the advice of your favourite singer: *C'est le temps du départ, retournez à d'autres étoiles et laissez-nous la fin de l'histoire.*

(Applause)

Daniel Cohn-Bendit, on behalf of the Verts/ALE Group. – (FR) Mr President, Mr Sarkozy, Mr Barroso, yes, we do appreciate your proactive approach, and yes, you have tried to make Europe move forward. The only thing is, we have had several Nicolases here, and for my part I was in favour of Nicolas the First, who declared to us in July 2008, in front of a stunned House, that 'unanimity kills democracy'. That was what Nicolas the First said to the European Parliament in July 2008. Nicolas the First was right; Nicolas the Third is wrong.

That is my problem with the French Presidency. It is a weather vane that, one minute, is saying something true and, the next minute, is saying something false, and looking back on it now, I will take everything that is true and leave everything that did not work to spin on the weather vane, because there is a difference between us.

You are reducing the European Parliament to Viagra for governments, but we are not here to be used to make others do what they do not want to do. Nobody here has said that we want to create a Europe against the nations. Nobody has said that. The Community institutions are, quite rightly, a Europe of the Nations and of the people, and we here represent the people. You want the Treaty of Lisbon to be ratified, and the possibilities for unanimity are precisely what the Treaty of Lisbon reduces, and why? Because unanimity kills democracy and, if we carry on like this, we will kill our ability to create European policy.

You are obviously right to say that presidents need to get experience, but Mrs Merkel, the climate chancellor, was President-in-Office here, and once she went back to just being the German Chancellor, she fell into the clutches of German industry and forgot about the European interest. That is what you were faced with in the European Council, and you had to reach a compromise between the various national egos: a compromise that we are going to judge, and that we are going to judge in a certain way. We will vote in favour of what is good and against what is bad, and we will not give in to blackmail.

That is right: I think that the first reading is blackmail, because a parliament's democratic process is to take a proposal, to contradict it and to go back to the negotiating table. That is why, even on the climate change package, I for my part have some doubts regarding deals made at first reading.

Following on from that, I know that you like French *chanson*, but, really, your Françoise Hardy lover's duet of '*la main dans la main, et les yeux dans les yeux, ils s'en vont amoureux sans peur du lendemain*', Mr Sarkozy and Mr Barroso, is fooling no one. It is certainly not fooling us, because what you have done is reduce the Commission to a secretariat for the Council. That is what Mr Barroso's Commission has been good for, and that is all. Nothing else!

Yes, gentlemen, we will hold elections shortly, and we will talk about these subjects, about how you, on both sides, are grovelling to your governments. It is not our job, here in Parliament, to grovel to our national parties: our job is to defend European interests, Community interests, not national interests. That is what I wanted to say, both to the left and to the right.

On the climate change package, we were strong and we took the lead, and it is true that, even if it was not enough, as we were told at the time, the '3x20' was just right. However, we have moved from '3x20' to the legitimacy of the '4x4' economy. That is where we have ended up following the climate change package, and why is that? I will tell you why: it is because, in the recovery plan, as you have designed it – and this is not your fault, I am not saying that – it is because there are some things that even you cannot do, Mr Sarkozy, and even you cannot manage!

For example, faced with German economic nationalism, you chickened out. You, you and Mr Barroso, said to us: '1.5% of GDP', but in the end the whole world knows that Mr Obama's plan amounts to 3% to 4% of GDP on environmental and economic recovery, and we will not manage that. Do you know what Mr Obama will say to you? He will say 'no, you cannot, you are not able, it is not enough', just like Mr Krugman said to Mr Steinbrück, and Mr Krugman has won the Nobel Prize in economics. If it were me saying this, you would say that I did not know what I was talking about, but it was Mr Krugman who said it.

Just one more thing to finish: as I have said, the environmental recovery plan is inadequate, because there is not enough in it. This is not just your fault, and it is not a European plan.

However, I would now like to say this. Last week, the prominent dissident Liu Xiaobo was arrested in Beijing. We have seen your policy concerning China: you have said to us in this House that we must avoid humiliating the Chinese. You have not humiliated the Chinese; it is the Chinese who have humiliated you. They have walked all over you. Afterwards, you told us 'well, nobody can stop me seeing the Dalai Lama on the quiet in Gdańsk'. That is just not on! For my part, I am proud that this Parliament awarded the Sakharov Prize to a dissident, Hu Jia, and I am proud that we did not give in to what the Presidency wanted to do, namely to prostrate ourselves before the Chinese whilst they imprison and torture people on a daily basis and the European Union says nothing, just as it said nothing when Mr Putin arrested a crowd of demonstrators who were demanding nothing more than social equality. That is the policy: when VIPs are with us, we prostrate ourselves, and that is why we reject this policy when it is expressed in this way.

(Applause)

Cristiana Muscardini, *on behalf of the UEN Group.* – (IT) Mr President, ladies and gentlemen, I would also like to thank you. As I am a member of a group called Union for Europe of the Nations, it is only natural that I especially welcome what you have said.

Your Presidency has demonstrated that the project for a European policy, and a political Europe, can exist. All that is necessary is to have the courage that was displayed in the conflict between Russia and Georgia, and to have the ability to manage the financial crisis with new working methods and open-minded interpretations rather than the rigidity of the Stability and Growth Pact. We have welcomed and supported the political vision of a Presidency that has repositioned politics at the centre of the debate, and as a result has repositioned Europe at the centre of world debate.

We are convinced that the European Central Bank's independence ought to mean that it has a duty to meet the institutions more promptly. In fact, it has now been demonstrated that crises cannot be resolved by central banks without there being, upstream, a clear political vision and a shared development strategy. The creation of the energy and climate package, overcoming the problem of national resources, is a great success and provides hope for the future, together with the Union for the Mediterranean, a road map for peace and development.

Some priorities, however, remain pending, and we hope that they can be resolved in cooperation with the troika and the next Presidency. These include, as well as immigration and border control and the revitalisation of agriculture, true equal pay for men and women. Today Europe is talking about gender equality in terms of retirement age, but I think it would be advisable to start by achieving equal pay.

Mr President, I believe that the solution of one Commissioner per country is the fairest one, and that is what we said in the Convention. We thank the French Presidency for having brought the proposal back to life. Finally, you defined this crisis as systemic and therefore, Mr President, we back you in calling for a reform of the system based on the ability to make the real economy more powerful than the financial economy, and real assets more powerful than paper ones.

Francis Wurtz, *on behalf of the GUE/NGL Group.* – (FR) Mr President, Mr President-in-Office of the Council, President of the Commission, without a doubt, we shall remember this French Presidency. It will be remembered on account of the seriousness of the events that have taken place during the last six months and on account of the exceptional significance of some of the issues it has had to deal with. However, it will also be remembered, I fully acknowledge, on account of the rather unusual style of the President-in-Office of the Council, a combination of determination, resourcefulness and iconoclastic methods in relation to the Community's established canon, all of which are the sort of things of which I would approve. Apart from the style, we will remember above all the mode of governance of the European Union that he initiated, in particular the irruption of politics into a world where it traditionally had no place, something that I have always called for.

I am also convinced that the President of the European Council may not exactly appreciate, but will at least accept, with better grace than at the time of his last speech to the European Parliament, my departing from polite, conciliatory comments, this time in relation to the last European Council, in order to point out a few problems, because real politics implies a frank but respectful exchange of ideas.

I must firstly mention the climate change and energy package. Obviously it would have been tragic if the European Council had been thwarted over this important issue for civilisation. I understand, therefore, that the fact that a compromise exists between the 27 has been highlighted because of its importance for the authority of the European Union and especially for the follow-up process.

For all that, ought one to speak about a historic agreement and one that will make the European Union a model? I do not think so. Surely this compromise risks the result that the vast majority of European industries will be exonerated of any ecological constraints? Surely Europe risks reducing its own emissions by only a small proportion by contenting itself with making a contribution to reducing them outside of Europe by means of the compensation mechanism? Surely developing countries are rightly expressing their bitterness in the face of the lack of any binding mechanism for financial solidarity with regard to them?

If this model, as it stands, became widespread, it would be impossible to achieve the essential objectives laid down by the global scientific community. It is, therefore, a good thing that a European agreement exists but, at this stage, its scope is not up to meeting expectations or needs.

(Applause)

I advocate the same clarity when it comes to assessing the recovery plan adopted in Brussels. Noisy self-congratulation would, in my opinion, send a counter-productive message to our fellow citizens. At a time when household consumption is falling, when more and more plans for cutting jobs are being announced, and when social tensions are mounting – look at Greece – this plan raises many questions.

Recovery for whom? Who is going to pay for this new plan costing billions? What results is it going to bring? Why, in the context of the same plan, does one Member State increase the purchasing power of its people while another only helps businesses? How is it that loans granted to banks are not going to companies, because they are the ones who need direct help now? Why do Member States who bail out banks not systematically take proportionate control, in order to create conditions for responsible management, geared towards creating jobs and wealth that are useful to society? There are so many common-sense questions that it would be very wise to answer before any other consideration.

Finally, no one will be surprised that my group does not congratulate the European Council for putting pressure on the Irish people. You are aware that the Irish people's expectations of change, like those of European people in general, are much deeper than those you have described. You will have another illustration of that shortly in the streets of Strasbourg. You have to listen to them and give them answers because, just as you have said, Mr President, sweeping the dust under the carpet leads to difficulties in the future.

Nigel Farage, *on behalf of the IND/DEM Group*. – Mr President, Mr Sarkozy has brought energy and dynamism to his presidency, but made clear at all stages that he wants more power for the Union and that he wants the Lisbon Treaty.

Now, with the Czech presidency about to take over, I think we have seen the true face of this modern-day European Union with the appalling attack on President Klaus. I am going to ask you, President Sarkozy: what kind of European Union do you want? Because what we have here is a Union that treats democracy with contempt.

Brian Crowley said to President Klaus that the Irish wish for the Lisbon Treaty. Well, I am sorry, old son, but they said 'no'! Please accept the result! In previous times, Martin Schulz has stood up and said that a 'no' vote will lead to fascism and that we must not bow to populism. So this is a Union that despises democracy, and it is a Union that cannot cope with any alternative point of view. 'I do not care about your opinions,' is what Danny Cohn-Bendit said to President Klaus. In previous times Mr Cohn-Bendit has said in this Chamber that opponents of this Treaty are mentally ill.

This is a very dangerous step for this Union to be taking. It is a Union that behaves like a thug and a bully, and when Mr Cohn-Bendit put the European flag on President Klaus's desk and told him to fly it from the Castle, he could just as well have been a German official from 70 years ago or a Soviet official from 20 years ago. Danny the libertarian, who is now the authoritarian, the man who has turned into everything he said he was opposed to 40 years ago – and this is the face, President Sarkozy, of this European Union. And all of

it egged on by President Pöttering, who in previous times has fined Members of this House for insulting other heads of state.

Mr Sarkozy, is this the kind of Union that you want, or will you join me in condemning the absolutely appalling treatment of President Klaus in Prague last week?

(Applause)

Bruno Gollnisch (NI). – (FR) Mr President, the current crisis is a crisis of the European globalist system. It has led to a great deal of effort on your part, but the very context of these efforts bears witness to the fact that the European Union is not fit for purpose.

As I have already had occasion to say to you, the measures that have been taken have in fact been either within a national context or within a framework of traditional multilateral diplomacy. In the national context, for example, there are the economic recovery measures, which, despite differing from one Member State to another – and there is, in itself, nothing shocking about that – are later granted common approval for form's sake. Everybody knows that. You have succeeded in dressing up as European policy the different, or even conflicting, policies of Mr Brown, Mrs Merkel and others, but appearances can be deceptive. For the national context, therefore, it is a good thing that there are borders to protect it, that Member States are necessary and that sovereignties allow rapid and effective action.

In the context of traditional bilateral or multilateral diplomacy, we had your efforts to suppress the Georgian crisis, or, for the economic crisis, the meeting in Washington of the G20, comprising only a few European Member States and the USA, China, India, Japan, Canada, Saudi Arabia and others. This is a clear indication of the fact that the European Union is too narrow a space to solve the problems that we face.

Many things have been attributed to the European Union's credit in a burst of artificial euphoria, but we must put things into perspective. The climate change and energy package, for example, has had so many derogations that it is practically devoid of substance, due to the crisis. The new constraints will not apply to those industries whose costs increase by more than 30% or who export more than 30% of their production, that is, three-quarters of the industries concerned. The economic recovery plan, as has been said, is 1%, or 1.5% of GDP, compared with 4% in the United States and more than 10% in China. The ink had scarcely had time to dry before the immigration pact had been violated by the Italian Government, which has just announced regularisation for 170 000 illegal immigrants. Where will they go? It is obvious too that the immigration proposals and another European 'blue card' will have no effect except to deprive developing countries of the skilled workers they need most for their development. These measures, therefore, will not take the place of uncontrolled immigration, but will add to it and make it worse.

Finally, at international level, we condemn the detestable practice whereby, when people reject the catastrophic developments of a Union which appears to offer more constraints than benefits, they are made to vote again and again indefinitely until they submit, without being able to call into question that Union's excesses.

You know very well, Mr President, that the Treaty of Lisbon is neither a mini-treaty nor a simplified treaty, but the European Constitution that was rejected by the French and the Dutch. It represents a European superstate that is becoming more and more authoritarian and totalitarian, judging by the peremptory remarks of Mr Cohn-Bendit to your successor, and it represents the repressive initiatives of Mr Barrot, which propose to extend to all of Europe laws that our fellow Member Mr Toubon described as Stalinist at the time of their adoption.

That kind of European Union, whatever you may have said, is indeed the enemy of nations. It is a vehicle for globalist power; it is preparing our economic, moral and cultural subversion. It is not the place of protection and freedom that our people are entitled to and that we shall not cease to call for.

Martin Schulz (PSE). – (DE) Mr President, I would like to apologise for taking up your time. I have asked to make a personal statement because of the statement made by Mr Farage. Thank goodness he is still in the Chamber and therefore I can give him an answer. Normally he leaves directly after his speeches, but today he has stayed.

I would like to state firstly that I have never said that a 'no' vote would lead to some sort of fascism. I have never said that! The statement that you have made is simply wrong.

Secondly, Mr Cohn-Bendit, Mr Watson and I, Mr Pöttering and Mr Crowley took part in a meeting in the castle in Prague.

(Heckling)

Who? Mrs Belohorská.

We were not informed in advance that our discussions at this meeting would be recorded on tape. Everyone in the room assumed that the meeting was confidential, in the same way that the Conference of Presidents had a confidential meeting last week with Mr Sarkozy in the Élysée Palace.

We discovered that the Czech press had reported on the content of the meeting which had been published without our knowledge by President Klaus. I do not know what sort of system it is where it is appropriate for things like this to happen, but it is certainly not appropriate in a democratic state.

President. – In addition, the meeting was not reported in full and, therefore, the report was not correct, because many of the connections were not made clear. However, we do not want to allow the situation to escalate and this is why I have not spoken about it in public until now. Suffice it to say that the meeting was not reported in full and therefore the report was not correct.

Nicolas Sarkozy, President-in-Office of the Council. – (FR) Mr Daul, the French Presidency appreciated the constant support of your group all the more since it was not at all easy, even within the group, to arbitrate, to find compromises and to enable agreement to be reached on a reasonable and credible political line. I know very well the role you have played as Chairman, Mr Daul, and it has been a decisive asset for us.

I have to say, in all honesty, that your group, in its support for the Treaty of Lisbon, takes a coherent view of Europe, a powerful Europe with stable institutions and a presidency for two and a half years that will devote itself only to the presidency of Europe.

I think that these are common-sense ideas that will make it possible to give something tangible to all those, like us, Mr Daul, with your group, who want a Europe that protects, that prepares for the future and not a Europe that is anxious and worried about the future. You can be sure anyway that your group's unwavering support has played a decisive part in the French Presidency and in the results we have achieved.

Mr Schulz, it takes courage to agree to speak with someone who is not of your political family. When we met with you and with Mr Daul, we said at the beginning that it was not going to be easy, because there is the prospect of the European elections and that inevitably puts a strain on things. In all honesty I must say that for us, for the French Presidency, Mr Schulz, you and your group were a demanding partner – can anyone criticise you for defending your ideas vigorously? – but also a completely responsible partner. On a personal level, working with you has been a great pleasure for me, but at the same time it has been really inspiring every time I have been able to listen to your or Mr Daul's advice, because I know full well that we would not have achieved these results if we had not worked together. I will say to Mr Cohn-Bendit that it takes a lot more courage to take a step towards the other person than it does to fuss about on your seat and act the prophet of doom.

It is the person who builds something who is courageous, not the one who makes accusations. Mr Schulz and Mr Daul have allowed us to build, to move Europe forwards. There are others here who have stood alongside us, without sharing our point of view, like Mrs De Sarnez, for example, and I have been grateful when she has supported us. That does not detract in any way from the convictions of any of them, Mr Schulz or Mrs De Sarnez. Quite simply, that is what European civilisation is: men and women who are reasonable and of good will and who are trying to move issues forward. You did not choose me, Mr Schulz, and I did not choose you, but it is our duty to work together. We have done so and I would like to say to you that, from this point of view, that will remain a great experience for me.

It is possible to change Europe, and we must carry on. You said that I had travelled a great deal, but, after all, when you are President of the European Council, if you do not like travelling, you would do better to miss your turn because the only way, it seems to me, of bringing Europe closer to its citizens, is for European citizens, for Europeans, to see that those who are temporarily in charge of its institutions come and talk with them and give a human face to these institutions. I believe, you see, Mr Schulz, that I have really felt during my travels, particularly in Dublin, but also when I was in Gdańsk, in Warsaw or indeed elsewhere, that what is missing in Europe is not so much institutions as faces. People need to be able to see us in the flesh and say to themselves that Europe is not just an institutional monster made up of no one knows who, but individuals with their weaknesses. It is not a matter of personalising things, of course, that is not the way forward, but perhaps we have gone too far with the impersonal nature of the responsibilities of different people.

One thing I would like to say to you, and perhaps you will think it naive, is that I really loved this job and I think that the people who lead Europe should love what they do. How can we make people love Europe if we do not love what we do? In France, I had occasion to say to one of my ministers that the European Parliament was extremely important, that Europe is extremely important. Yet if we ourselves are not happy, proud and passionate about what we do – as all of you are – how do you expect Europeans to feel passionate about Europe?

There was an approach to building Europe that people said was a bit distant, a bit technocratic. Technocracy, however, is not about having technical knowledge; it is about never putting any feeling into it. Europe deserves, I believe, us to put feelings into it. Anyway, I appreciate your appreciation: we may have disagreed, Mr Schulz, but we have added something to each other. You have not altered your convictions in any way and I have not altered mine. We have simply shown that, in order to build, each of us needs the other, and, for me, that will remain a great moment of democracy.

Mr Watson, last time, I remember, you talked about Carla. Today, you talked about Angela. You are a man of taste, Mr Watson. I appreciate your comments!

(Laughter)

(Applause)

I very much enjoyed, I must say, working with Mr Watson who is a very exacting man. I very much appreciate your conscientiousness, how knowledgeable you are about matters and your precision. I have had to make compromises, and you said that they were reasonable. I am not going to deny here in front of the European Parliament that compromises were made. Who in Europe can say that he comes to the European Council, he does not listen to anybody else and goes away having achieved satisfaction on everything? The only question is not the question of compromise, which is built into European construction. The only question is knowing whether it is reasonable.

I realise I have forgotten, and I apologise for this, to speak about something: VAT. It is nonetheless strange – and here Mr Barroso will correct me, if necessary – that, when a country wishes to reduce VAT on all products, it can make the decision completely on its own. When, however, a country wants to reduce VAT on one category of products, it has to wait for the agreement of all the others. Please understand me, Mr Watson: I simply want to remind all of us of our responsibilities. What European citizen can understand that?

I have not passed judgment on Gordon Brown's decision. He is a Head of Government whom I value and who has been extraordinarily helpful in the battle against the financial crisis, but he decides, for his country, to reduce VAT. All European citizens – everyone is entitled to his opinion about it – should look at that and question their own government. When one of us wants to reduce VAT on one product only, he has to say to these same citizens: 'I am sorry, it has to be a unanimous decision!' I am saying that this rule cannot continue. The rule has to be the same for everyone. I am saying to the Commission too that I do not think it is reasonable to preserve unanimity. One has the right to have ideas and not to be frightened every time there is a new idea. I have been approached by Mr Watson about this and I want to address it thoroughly.

With Mr Barroso, we have made a proposal for a decision to the Council. It is important, as we have been talking about the problems of reducing VAT for three years. It has been decided – that is actually an agreement that I proposed with the German Chancellor, Mrs Merkel – that we should stop talking and make a decision next March, in the Ecofin Council. I think that is a reasonable agreement; now a decision has to be made.

There is the whole problem of clean products. I should like to say, Mr Watson, that it is not reasonable for clean products to cost more than products that cause pollution. If countries want to reduce the rate of VAT in order to encourage high environmental quality building, to encourage cars that pollute less, to encourage ecological products, they should be allowed to do so. One small thing I would like to say is that VAT on dark chocolate is at a reduced rate, whereas on milk chocolate VAT is 19.6%. How can anyone understand that? I personally regret that because I prefer milk chocolate to dark chocolate, but of course I am just speaking for myself.

The situation with books and cultural products is worse. Europe would benefit from talking more about culture and sport. With regard to cultural products, VAT on books – and this is a very good decision – is 5.5%. How can anyone understand why VAT on videos and CDs, then, is 19.6%? These are cultural products: soon there will be no more videos sold – they will be pirated – and no more CDs sold in Europe. It is in everybody's interest to look at problems concerning culture. The same reasoning applies to job creation

services. I hope that the Ministers of Finance at the Ecofin Council in March will hear the message from the Heads of State or Government.

I must say a word, Mr Watson, about the number of Commissioners. I will give you my opinion. Whether the Commission has 24 Commissioners, 27 or tomorrow 33 does not change anything. I am convinced that in the end we need to strengthen the power of the President of the Commission. It is my personal opinion that I am giving you. Why? It is because only the President of the Commission can provide a common doctrine for all Commissioners who, in the same market, are faced with different situations.

I will add one last point. I did not think it was reasonable to explain to Member States that we would have a President elected for two and a half years, and therefore that the Presidency of the Council, rotating every six months, would remain, but would be virtual and that, at the same time, we would be removing the right for each country to have a Commissioner. I do not think that the Commission is strengthened by doing that. It is, therefore, a compromise that I negotiated and proposed especially as I think that it will be useful for the future.

Mr Cohn-Bendit, what a strange thing it always is with you! You are a courteous, tolerant, nice person when one meets you in private, when one invites you to lunch: you understand the other person's arguments. One thinks that one would like to see you again and then, as soon as there is a television camera in front of you, you seem to go mad. The same man with whom one gets on well in private ...

(Applause)

... whose company one enjoys, this same man suddenly changes and I want to say to the public who are watching us: 'do not believe a word of the images you have just seen. Daniel Cohn-Bendit is much better than that; he is not like the caricature of himself that he has just shown you.'

I will tell you why, Mr Cohn-Bendit, because I have known you personally for a long time. We often telephone each other, and you have come to lunch three times at the Élysée Palace. Admittedly, you once arrived late, but I did not send the motorcycle escorts for you. So that you would not be late the next time, I did send them out for you. You did not refuse them, which shows that you are willing to abide by the Republic's rules, but, above all, Mr Cohn-Bendit, you are a true European when you speak about Europe. When you speak as you did to me, however, you are not a European because outrageous behaviour is not European, because outrageous behaviour is the very opposite of Europe. Stay as the man we know and love, then I can say to Mr Schulz: 'you see, I have been able to change Europe a bit, but not Daniel Cohn-Bendit'.

(Applause)

Mrs Muscardini, thank you for your support. I would like to say one thing, however, which is that, having spoken about Germany which supported us and about the United Kingdom, I was glad of the support from Italy, which was not all that obvious on the climate change and energy package. The President of the Commission will correct me, if necessary. A number of countries took positions at the start and I must say that the Italian Government and Mr Berlusconi made the task easier for us at the last European Council. I say this because it is the truth. I do not say it in order to favour one person or another. I say it because, to build a consensus in Europe, everyone needs to be sure that they are valued, not according to their defence of national interests, but according to the European interest. You are absolutely right, Mrs Muscardini: the real economy must now become our priority, and we shall see in the course of 2009 whether we need to do more than we have decided so far, according to the seriousness of the crisis and for certain sectors of industry.

Mr Wurtz, I appreciated the discussions we have had together and I particularly appreciated the fact that you supported the right to do politics in Europe. Really doing politics in Europe, giving back political choices to Europeans, while respecting tolerance and openness towards each other is very much what has been lacking. Politics must make a comeback in Europe! What is politics? It is offering choices! It is not presenting people with just one option, and this brings me, in reply to Mr Wurtz, to remind you of what Mr Farage said. Things must be clear!

There is a country that rejected the Treaty of Lisbon. We understand this refusal, and we are trying to understand and respond to it. You may say, watch out, this is verging on the dictatorial. Would it not be dictatorial, however, for one country alone to impose on 26 others a situation, a policy that they do not want?

(Applause)

I found myself, Mr Farage – and I am speaking to Mr Wurtz too – in the same situation in France. France rejected the Constitution by 55%. France had to make the effort to reconsider. What effort? I made a commitment during the campaign – I was the only one among the candidates – not to organise a referendum. I accept political responsibility for that; I was committed to the Treaty of Lisbon. How is it possible to say that it would be almost fascist to ask our Irish friends to vote again? What are we to say then about the other 26 countries which ratified the Treaty, some of them by referendum too, and which, from this point of view, would have to give up their choice?

The truth is that Europe needs Ireland. We are 27 countries and we want to bring the 27 together over the Treaty of Lisbon. Each one now is aware of its responsibilities. If the Irish want a European Commissioner, well then there is Lisbon, because under the Treaty of Nice there will not be a European Commissioner for everybody. If the Irish have understood the situation properly, it seems to me that they have been happy for all of Europe to stand alongside Ireland when the financial storm almost carried Ireland away, and very happy for the President of the Commission to find a solution – something that was not easy – when first off the Irish Government had gone so far as to guarantee all the banks, all banking products, forgetting, just for a moment, that foreign banks in Ireland had to be treated in the same way as the Irish banks in Ireland.

I think that the crisis, from this point of view, forces public opinion to stop and think. Mr Wurtz, one cannot stand alone in the midst of the storm. I think it is important for the Irish to vote again, and I will fight with all my might alongside the Irish Government for them to say 'yes'. If they were to say 'no', they would be making a political choice. Will the other 26 then have to give up their ambitions? It is a matter that we would have to debate, in spite of everything, if we found ourselves in that situation.

Finally, Mr Farage, I should like to tell you that I approved of Mr Pötering's courageous and reasonable attitude towards Mr Klaus. Everyone wants to be respected, but to be respected, you have to respect others and sometimes one is a little surprised by some of the statements made by the President of one of the great countries of the European Union. He wants to be respected, I understand that completely, but frankly, for the Europeans here, it was hurtful to see all the European flags taken down from every public building in this great country, the Czech Republic. It was to no one's credit to have acted in this way and I am pleased that the Prime Minister, Mr Topolánek, had the courage not to let himself be carried along with this trend.

President Pötering and the group chairmen can in any case count on the full support of the Presidency. We do not treat the chairmen of political groups in this way, we do not treat the President of the European Parliament in this way and we do not treat the symbols of Europe in this way; whatever one's political commitment, that does not happen and should not happen.

(Applause)

Finally, Mr Gollnisch, you say that Europe is not fit for purpose. That is always your stance and, of course, I respect it, but you can see also that Member States remaining alone in their corner, that too is not fit for purpose. You say that we have acted alone but that is not so. If each of us had decided in isolation to support our banks, we would not have supported any bank. Not one, and for a very simple reason, which is that European banks have mutualised loans and mutualised risks. If each of us individually had said: 'we can get through this on our own', then the whole system would have been brought down with no chance of support, success or return to serenity. Of course, it is up to Member States to make decisions because it is the Member States who vote on their budget, but these decisions had to be taken in a coordinated way.

I will finish there then. Europe is strong when it rests on the support of strong and responsible States, and because these States are strong, they accept the need for compromise in the European interest. The big mistake is to think that, for Europe to be strong, the States must be weak. For my part, I think that strong States are necessary to build a strong Europe because it is only the strong who are able to hold out their hand and make compromises. It is only the weak who are sectarian and who are turned in on themselves. We must, I believe, put this lesson from the crisis to good use.

I will finish there. That means that the large countries of Europe have no more rights than the smallest countries, but they have, perhaps, more responsibilities. What has not worked in recent years is that the large countries have sought to avoid and sometimes shirk the responsibilities that it was their duty to accept. In the crisis too, it was not just the Presidency alone that assumed its responsibilities, it was all those large countries that assumed theirs. We all have the same rights but some have more duties than others. I say that because I think it from the very depths of my European convictions.

José Manuel Barroso, *President of the Commission*. – (FR) Mr President, I should like to raise two or three points, very briefly. Firstly, regarding the ambition of the package, I want to underline the fact that the ambition of the climate change package, which the Commission presented, is retained in the final compromise that has been approved by the European Council.

Certainly, there were some concessions made within the objectives. These concessions were necessary in order to respond to demands made by certain Member States, but we have succeeded, and I think we should congratulate ourselves on that because it was not straightforward, considering the situation of economic and financial crisis. We have succeeded, I repeat, in preserving the ambition of the 20% objectives for 2020.

Furthermore, you are no doubt aware that the European Union's historic decision has been welcomed by the United Nations Secretary-General and by the Conference at Poznań, and I would therefore like to suggest that Europe should not once again be masochistic about this. We are now the world leaders on this issue. No other country, no other region in the world, be they American, Latin American or Asian, has done anything comparable or similar. Consequently, if anyone wants to ask for more, they can do so by asking others to follow the European example, and not by challenging an agreement that is really an example for the rest of the world.

Of course the Commission presented an ambitious package, we knew that from the beginning, but I can say that, with a spirit of compromise, we have succeeded in retaining the main objectives of the climate change package.

With regard to the recovery of the economy and the economic recovery plan, in relation to the United States, I must correct some statements that have been made. The truth is that the Americans have not put forward anything so far. There are ideas going around, but we have yet to see what is to be presented. I would like to tell you too that, with regard to economic and monetary policy, it is not certain that the United States are able to give us the best suggestions. We are in any case convinced that this crisis, apart from purely financial matters, arose from certain fundamental macroeconomic imbalances. American monetary and budgetary policy has been at the very least unrealistic. I should like therefore to warn you about any notion that may arise – I see it coming already – that we should do exactly the same as the Americans. We are not in the same situation and, besides, I think that a little prudence might be advisable, if one thinks also in terms of medium- and long-term sustainability.

Having said that, the President of the European Central Bank has indeed told the European Council that, in Europe, we may think that at least 1.2% of our GDP will have an automatic stabilising effect. That means that, if you add the part played by economic stabilisers to the 1.5% that has been adopted by the European Council, we are not far off the stated intentions, and I do mean stated, of the President-elect of the United States.

All the same, I wholeheartedly support greater coordination with the United States in the economic sphere. It is clear – those were the conclusions of the G20 – that a global effort will be needed to relaunch the global economy. This crisis has demonstrated to what extent our economies now are interdependent. That is why, indeed, we have put forward a common agenda for globalisation so that we can work for economic recovery also in the Atlantic area.

With regard to the issue of the Commission and the Commission's role in the institutions, I should like to explain to you clearly my ideas about this. I believe that, in Europe, one is not stronger because the others are weaker and I think that it is a fundamental error made by some analysts and by some of my European friends, some, indeed, I freely admit, who are among the most convinced of Europeans, to think that the Commission's role suffers when there is a strong Council Presidency. Precisely the opposite is true. I can tell you that now, with the experience I have of having worked with nine different European Council Presidencies.

If anyone thinks that the European Parliament is stronger because the Commission is weaker, or that the Commission is stronger because the Council is weaker, he is fundamentally wrong. Above all, that is a mean-spirited view and one to which I do not subscribe.

The European Union today is of such complexity, with 27 Member States with such different priorities, that only with a spirit of partnership and mutual support will it be possible for European institutions to achieve results. That is why, for example, in relation to climate change, the proposals were those made by the Commission several years ago.

Of course, it is in our interest for there to be a strong Council Presidency that manages to reach consensus with Member States. Of course, the action, the initiative and the work of the European Parliament on this

issue are important. In that respect, I do think that, for some, there needs to be a change of paradigm. We are in a situation where the institutions have to affirm their authority, their leadership role, not by diminishing the role of other institutions but, on the contrary, by strengthening their ability to find positive compromises, compromises that will advance the European idea.

In conclusion, with regard to certain statements made by some Czech political leaders, may I simply say to you that, when someone makes a comparison between the Soviet Union and the European Union, that shows three things: firstly, he does not understand what the Soviet Union was; secondly, he does not understand what the European Union is, and, thirdly, he has a very hazy idea of democracy and the principles of democracy, especially freedom and solidarity which are our European principles.

(Applause)

Timothy Kirkhope (PPE-DE). - Mr President, I want to begin by acknowledging the role that President Sarkozy has played during his time as President of the Council. His time at the helm has undoubtedly been high profile and focused, and we particularly recall his contribution to the peace process in Georgia in the aftermath of the invasion by Russian forces. We also recall his determination to secure a deal on the vital climate change and energy package, which is something that British Conservatives fully support, even though I regret we cannot offer the same support to the Lisbon Treaty.

We believe that the EU should continue to take a lead in relation to climate matters. However, the financial and economic crisis has inevitably dominated the last six months. Despite the claims made by the British Prime Minister that his response to the crisis is widely shared, let us not forget the remarks made by the German Finance Minister last week, who said of the British Government that the 'same people who would never touch deficit spending' in the past are now 'tossing around billions' and 'the switch from supply-side politics all the way to crass Keynesianism is breathtaking'. Also, referring to the UK VAT rate, he said that 'all this will do is raise Britain's debt to a level that will take a whole generation to work off'. I regret that, because he was absolutely right: the British economy is heading for probably the longest and deepest recession of all the major EU economies, and the British Prime Minister has lost any claim to fiscal prudence and sound economic management.

President Sarkozy, here was a situation where the British Prime Minister should have followed the lead of other European leaders, and indeed followed the discipline that other countries have shown in economic management. May I again congratulate you on your six months in office. I hope that the next six months will be good for the people of Europe.

Bernard Poignant (PSE). - (FR) Mr President, it would be wrong to say your Presidency was perfect, but it would be dishonest to say that it was a failure. I shall take one or two lessons from it.

This is a time of conversion, because from this Presidency onwards, when the market has a problem, the State will be the solution. I hope that this conversion is sincere and sustainable and, as I am a French socialist, I am delighted to learn that the source of our problems is not the 35-hour week but the banks, and that 'Mrs 35-Hours' is better than 'Mr Madoff'.

The second lesson is that, at the end of this Presidency, you will have to re-establish a better relationship between France and Germany, because it was shaken at the beginning by the Union for the Mediterranean. The German Chancellor was not invited to an important meeting and then we ask her and Germany to pay, as in 1918 for reparations, or 1945 for reconstruction, or 1955 for contributions, or 1990 for reunification. Yes, I am defending Germany. Do you see that, Martin? I am defending it. You know the French saying: 'don't climb coconut trees when you have a hole in your trousers'. I think there is a bit of sorting out to be done and that we need to rebuild Franco-German relations.

Finally, for a presidency to be successful – what a fine lesson this is – you have to surround yourself with two socialists: Bernard Kouchner, who was a minister under Mr Mitterrand, and Mr Jouyet, who worked with Mr Jospin and with Mr Delors. I am speaking to Mr Le Maire, the new minister: watch out Mr Sarkozy, he is a Villepin man. I expect you know this other saying: 'I forgive everyone who offends me, but I keep a list!'

(Applause)

President. - Thank you very much Mr Poignant. That almost raises the question of whether you would like to apply to join the government.

Marielle De Sarnez (ALDE). - (FR) Mr President, perhaps we can come back to Europe now.

Faced with a regional, financial, economic, social and climate crisis, this French Presidency has been buffeted by the world's agenda. It has been able to respond and, under your impetus, the French Presidency has been able to rise to the challenges. I think it is right and helpful to say so. It is also helpful for us all to look together at what remains to be achieved so that the responses to these crises can be as complete as possible.

Our reaction to the financial crisis was coordinated and rather well thought out, but now, I think, we have to move to action and start on the foundations of a system of world governance, not only with regard to regulation. The Madoff affair showed clearly that we need monitoring but we also need penalties. We need a European regulator and, in time, we need a European public prosecutor.

Likewise, we still have much to do to respond to the economic and social crisis. The European plan, as you know, unfortunately falls well short of the American plan. We need major projects, innovation, research, infrastructure, sustainable adaptation. This is what has to be on the European agenda in the months to come.

Likewise, we must take heed of the lessons learned from this crisis for the future, working towards better financial and monetary coherence, especially within the euro area, which, incidentally, will help to resolve misunderstandings between France and Germany, by giving ourselves some room for manoeuvre that will be very useful at a time of recession, when growth will, I hope, return as quickly as possible, and by restoring the Commission's central role because it must not under any circumstances abandon its right of initiative. At a time of crisis, it is rather a duty of initiative, I think, that you ought to have.

Finally, under your Presidency, we have reached a compromise on the climate crisis. It is a compromise, it is not perfect, but it is there. What I regret is that it leaves aside, for the moment, the vital question of aid to developing countries, which continue to suffer the consequences of climate change for which they are not in any way responsible.

Therefore, Mr President, in relation to all these matters, it is my hope that tomorrow Europe will be able to satisfy the expectations of our fellow citizens.

Ian Hudghton (Verts/ALE). - Mr President, the French presidency has indeed faced many challenges, though it is debatable whether the recent Council adequately addressed the challenge of combating climate change.

On the economy, I note that Mr Sarkozy acknowledged that Ireland was the first to support its banks, and now the whole of the European Union is following, which is more accurate, I think, than Gordon Brown's recent slip-of-the-tongue statement that he had himself saved the world single-handedly.

I should like to thank the Irish Government for once again demonstrating how influential small Member States can be in the European Union. However, I thank the Irish people too for 'interrupting', as President Sarkozy put it, the Lisbon ratification process. The assurances given to Ireland will help my country, Scotland, as well, by underlining that there is fiscal independence in Europe and that we, as an independent Member State, could nominate a Commissioner.

Mr Sarkozy said that we cannot have a strong Europe if Europe is not united. Please let us remember that 'unity in diversity' is not just a slogan but something we must aspire to: we must not lose sight of that which makes us proud to be Scottish, Welsh, Irish, French, Czech, or whatever, as well as citizens – not subjects – of the European Union.

Brian Crowley (UEN). – (GA) Mr President, last week's summit meeting of the European Union Heads of State was a very positive meeting from the point of view of Ireland and of Europe. The European Council has approved the European economic recovery plan, worth EUR 200 billion.

It is essential that, when we look at the results of the European Council, we give credit where credit is due. Finding solutions and compromises to what were – or appeared to be – intractable problems suddenly arose like the cream rising to the top of milk. I congratulate you, President Sarkozy, on your efforts, including with regard to Ireland. We greatly appreciate the compromise that has been reached to allow for a second decision from the Irish people with regard to the Lisbon Treaty.

I would like very briefly to point out to certain colleagues who spoke today and yesterday on what I am attributed as having said in Prague last week. Firstly, I never mentioned my father, as was indicated in the transcript that President Klaus released. Secondly, I never said that the Irish wished for Europe. I said that it was up to the Irish people to determine what will happen with the Lisbon Treaty.

In the light of our experience over the last six months in particular, what is really needed, as we move forward, is a Europe that cooperates, coordinates and works together to achieve common goals on a basis of understanding and tolerance for the differing opinions and the different economic cycles that exist within the European Union.

(FR) Mr President, my French is very poor, forgive me. Your Presidency has reconstituted the great European project, the European Union project with a big heart, based on equality and hard work, in Europe and also in the world. Thank you and good luck!

(Applause)

Bairbre de Brún (GUE/NGL). – (GA) Mr President, Ireland should be in the European Union. Cooperation with our European partners is very valuable. However, the way in which the ‘no’ vote in Ireland was dealt with is not creating goodwill. It could even fuel opposition to the EU and not just in Ireland.

The Council has refused to make any changes to the Lisbon Treaty itself. Instead, people in Ireland are to be given encouraging words and to be told that they should change their minds.

The Council did not address the real concerns of the Irish people in relation to the militarisation of the EU, workers’ rights and public services. The gap between the Union leaders and the citizens is getting deeper because of the response to the ‘no’ votes in Ireland and elsewhere.

The Council conclusions do not provide credible guarantees in the areas in which they are needed. They fail to give positive reasons for voting in favour of the Lisbon Treaty. Instead of this, they allow fear to exist. Some issues are getting confused. Fear and misinformation will be given full reign in a rerun of the referendum.

As regards the Council conclusions in relation to the energy and climate change package, it is very important that legislation will be in place with legally binding targets. However, some of the package is unsatisfactory and it is not as strong as it should be.

Bernard Wojciechowski (IND/DEM). – (PL) Mr President, as early as October of this year, the press was already indicating that the Czech Presidency might pass unnoticed. It was also said that your wish to chair the Eurogroup was an attempt to exercise indirect control over the Czechs. I should therefore like to hear from you, Mr President, how the outgoing Presidency intends to conduct itself with regard to the incoming Czech Presidency.

Mr President, in reply to a question I posed about President Kaczyński, you stated in this House two months ago that you would convince him and that agreements would be honoured. Nobody then suspected, however, that Mr Kaczyński would allow himself to be swayed by the citizens of Ireland rather than by his brother. Do you intend to proceed in the same way when it comes to winning over President Klaus, Sir? Will talks even take place? Finally, I hope you enjoy listening to Elvis, Mr President.

Sylwester Chruszcz (NI). – (PL) Mr President, I am one of the Members of this House who will not be congratulating you on the success of this six-month Presidency. I actually believe that two flagship projects you pushed through in recent months are in fact damaging. Indeed, they are damaging not only to my country, Poland, but also to Europe as a whole. Although it is now marginally more acceptable, the climate change package is still a bad one, and its adoption at this juncture is simply ridiculous. In addition, reviving the Lisbon Treaty that was rejected in a national referendum in Ireland makes a mockery of democracy. Do not delude yourself, Sir, into thinking that one additional seat in the European Parliament will enable you to buy greater support for Lisbon in Poland.

I should like to say to you, Mr President, that, even though last week in Brussels your diplomatic talents allowed you to persuade the other Heads of State or Government to support your controversial ideas, it is my earnest hope that the citizens of sovereign nations will say ‘no’ to those ideas in next year’s elections to the European Parliament.

Hartmut Nassauer (PPE-DE). – (DE) Mr President, Mr President-in Office of the Council, if even Mr Schulz is saying good things about the French Presidency, then it must in fact have been brilliant, because until now the socialists have not been great admirers of President Sarkozy.

On behalf of the Group of the European People’s Party (Christian Democrats) and European Democrats, I would like to assure you, President Sarkozy, that your Presidency has been outstanding and totally successful. You have acted decisively and successfully in both of the crises which occurred this year. You have given the

European Union more political weight and have improved its reputation in the world. You have undoubtedly regained some of the confidence of its citizens and, not least, you have been able to highlight the beneficial and stabilising effect of our common currency, the euro, in these difficult times. In brief, fortunately for us you were the right man in the right place at the right time. I would like to think that we will be able to say the same thing after the next Presidency.

The climate change and energy package is a success for the Council. However, we should remember that it is a decision which reaches far into the future and that its full effects will only be felt when the majority of the people who are responsible for it are no longer in office or able to take responsibility for the consequences. We will have to make a difficult choice between the climate policy objectives, which we fully support, and the unavoidable burdens that we can expect from the economy.

Mr Schulz has challenged the PPE-DE Group to make this decision. Of course, we will make the decision, but we will attempt first to read about what we have to decide on. If you made the decision yesterday, then you cannot possibly have read the text. You have just decided blindly on the basis of left-wing policy. As for your criticism of the first reading agreement, when Mr Cohn-Bendit also sheds crocodile tears, I fully agree with the content of your criticism. However, who forced us into it? Did the Council gag us during the procedure? Did the Commission blackmail us? It was a majority in this Parliament that made the decision. In the Conference of Presidents, only Joseph Daul voted in favour of a first reading, which would have been the proper procedure. I hope that we can draw the conclusion from this that in future first reading agreements should no longer be accepted at least for such decisive projects.

Poul Nyrup Rasmussen (PSE). - Mr President, I should like to say to President Sarkozy:

(FR) 'being proactive in politics, that is the most difficult exercise'.

You and I both know that, President.

As you said yourself, Europe is about compromises but also ensuring dynamics. That is my point. I think you took Europe as far as you could go and as far as you could get the 27 prime ministers and heads of state, but please do not oversell the results. That goes especially for President Barroso. Do not oversell the result. If you do so, this will backfire against ordinary people's trust in the European Union. We have an economic crisis at the moment and it is not over. As you said, it is not over. Please do not tell people that the economic stimulus package corresponds to 1.5% of GDP. It is not. If we take away the credit guarantees from this calculation for the moment and look at the real investments and the real demand, we are down to an average of about 0.6% of the European Union's GDP. Yes we are, Mr Barroso. The economic calculations from Brueghel and from Copenhagen University confirm it. So be careful here.

The only two countries – and Britain has been criticised by Germany – that are reaching 1% of GDP in real economic stimulus are Gordon Brown's country and Zapatero's country. France is coming close. But the real difficulty for the time being lies in Berlin. I simply do not understand how Angela Merkel, the German Chancellor, can tell people that what they are doing for employment in Europe at the present time is sufficient. That is not the case.

Mr President, I disagree with what Graham Watson said. You should not just relax. You should keep your energy because we need another stimulus package and we will need it quite soon, already by the spring. I hope that you will be active on 2 April in London and certainly also at the spring summit. As you said yourself, bringing Europe closer to people is about ensuring jobs for people.

President. – Ladies and gentlemen, President Sarkozy will have to leave us soon. He will now be given the floor again and Mr Borloo and Mr Le Maire will remain with us.

Nicolas Sarkozy, President-in-Office of the Council. – (FR) Ladies and gentlemen, Mr Kirkhope, thank you for your support. That gives me the opportunity to turn to a British Conservative to say how important it is for us in Europe for this great party, the British Conservative Party, to remain deeply committed to European integration.

I have nothing to do with politics in the United Kingdom. You have a young leader, Mr Cameron, and you are a party with a long history. We need you within Europe, and nothing, Mr Kirkhope, in Europe can be successful on its own. I do not know what the future will be for Mr Gordon Brown or what the future will be for Mr Cameron, but whoever the leader of the United Kingdom may be, he will need others in order to make progress, to defend its interests, to win in Europe. That cannot be done alone and I would like to say one thing, namely that I have always been convinced that the United Kingdom had a special role to play in

Europe. Sometimes I have been criticised because the United Kingdom speaks the world's leading language, because it has a dynamic economy, but think about it. Look at what it has cost the United Kingdom to have been too exclusively linked with the United States, what it has cost it to have been too exclusively committed to financial services; look, Europe needs the United Kingdom but I remain convinced that the United Kingdom needs Europe.

When I went to the United Kingdom I said that the *entente cordiale* between France and the United Kingdom was not enough. Gordon Brown suggested an *entente formidable*. For my part, I really think that it has been possible to emerge stronger from the financial crisis because the United Kingdom has clearly chosen Europe. Let me say that we have not got on so well in the past, and without going into internal politics, I mean that is the truth.

Mr Poignant, the French Presidency is not perfect, certainly, nor is it a failure, and as for you, you are faithful to Mr Mitterrand, which is the perfect 'neither ... nor'. You therefore think neither good nor evil. Really what you are thinking is that if I have been successful it is because I had two good socialists ... Well, never two without three, Mr Poignant: Jouyet, Kouchner ... I detect a certain envy in there somewhere! Seriously, however, I should like, if I may, to deny the assertions of all those who thought that there were structural disagreements between Germany and France. This is an opportunity for me to explain things, and I am saying this also to Mrs Marielle De Sarnez.

The Franco-German axis, the friendship between France and Germany, is not a choice: it is an absolute duty. Our two countries have been at the heart of the greatest tragedy of the 20th century. It is not a choice, not because I do not subscribe to it, but because it is a duty for the world and for Europe. We have to walk hand in hand. I am utterly convinced that it is a responsibility, Mr Poignant, that goes far beyond just Mrs Merkel, or myself, or formerly Mr Schröder or Mr Chirac: it is a historical reality. We cannot separate from each other, precisely because of what our history has been for the last century.

At the same time, however, while not wishing to offend anyone, I must say that the Franco-German axis cannot be of the same order in a Europe of 27 countries as in a Europe of six. In a Europe of six or nine, maybe perhaps twelve, if Germany and France reached an agreement, that was enough and all the others followed.

That is how it was, but that is not the Europe of today and that is why I called for reconstruction of this Franco-German axis, on a bilateral basis. We need it but we cannot treat the Franco-German axis as if there were still only 12 of us. I remember when Germany and France came to an agreement – it was not in my time – about a candidate for the Presidency of the Commission, it was the other one who left, because it gave an impression of arrogance. As a result, friendship between France and Germany is indispensable, but it does not exclude other agreements, or other friendships. That is the first thing I want to say because sometimes I have the impression that some people look at Europe through 30-year-old spectacles, when it has to be looked at in relation to what it will be in 30 years' time.

The second thing is that Mrs Merkel strongly defends Germany's interests. If she did not do so, who else would do it? We surely cannot criticise her for that. She did it with flair, she did it with force and she did it with determination. I too defend my country's interests. Was that not what I was elected for?

Sometimes, then, we do not agree straightaway. What of it? That is perfectly normal. Is democracy or the sense of compromise impossible when it is Germany or when it is France? Yes I had to make concessions to Mrs Merkel; yes she had to make concessions to me. What of it? It is for the benefit of Germany. Just because it is Germany or just because it is France, should we not debate anything, should we not discuss anything? Our German friends were not very enthusiastic about the Union for the Mediterranean. There were misunderstandings. I resolved those misunderstandings by discussing them. Where is the problem?

In any case, I have no intention of justifying it every time Mrs Merkel and I agree with each other, support each other or help each other. I am not forgetting one thing, however, which is that Germany is a federal state, while France is much more centralised, in spite of decentralisation. The rhythm, the time needed for making decisions is not the same. That has nothing to do with Mrs Merkel's abilities or any faults on my part; it has to do with the structure of the two states, which are not the same. Furthermore, Germany has a coalition government. I am not sure whether Mrs Merkel spontaneously chose the socialists in her government. I was responsible for choosing the socialists in my government. That is the second difference, but one that also explains the time it takes to make decisions.

Rest assured, however, that in any case Germany is not being attacked. Germany is the largest economy in Europe. We need Germany, and Germany needs Europe. Let it be said also, however, that France and Germany have no more rights than the others; we have more responsibilities and these too we must bear together. Do not worry. I am fully aware of that.

Mrs De Sarnez, you are right, there is still much to be done. I shall not go back over the comments you made about the Presidency. There is still much to be done. You spoke about the need for a European regulator, and you are absolutely right. Let us tell things as they are. We have not achieved that for the moment because a certain number of smaller countries consider that, if they had to do without a national regulator, it would create problems for their national sovereignty. We have to take account of that, but in my view, I think that at the very least we have to have a college of European regulators.

Secondly, do we need a European public prosecutor? It is a fascinating debate, which also involves other issues and certainly better collaboration.

Regarding major projects, it is my turn to ask you not to be too hard on us because EUR 5 billion have been freed up by the President of the Commission. It was quite a battle, Mrs De Sarnez, because not all the countries were in agreement about that, just to finance major projects, and in all honesty I must say that the Commission was a lot more ambitious than some Member States. Quite simply, for the Commission to be able to use the five billion for the purpose of major projects, every Member State had to give its permission. We got that and now at least we have the five billion.

Finally, with regard to aid for developing countries, I am afraid I do not share your point of view. With Mr Barroso, we used the EUR 1 billion that some Member States, once again, did not want, and at the Hokkaido Summit I had to persuade my European partners to give permission for Mr Barroso to use, for the Millennium Development Goals, the money that had not been spent, so that was EUR 1 billion that was put in.

At the Doha Summit, I was stunned, Mrs De Sarnez, to find myself the only Western Head of State present around the table. Out of all the G20 Heads of State or Government, there were only two of us: the President of South Africa and the President of the European Council, as well as Mr Barroso. The others were not there. Just imagine what you would have said to me if I had not bothered to go! We were there because the crisis must not be used as an excuse to make the poorest countries be the ones to pay the most for a crisis for which they are in no way responsible. I think that that may be a point of disagreement, once again.

Mr Hudghton, diversity and unity: rest assured, from the point of view of diversity there is no progress to be made! Frankly, if I had to put my energy behind one project, I would put it behind unity because I notice that no one around the Council table forgets where he is from. It is a bit more difficult to know where one is going. There is a great French ethnologist, Lévi-Strauss, who made a definitive statement, and it was extraordinary when he himself said it, that 'identity is not a disease'. Identity is not a disease in Europe and so really any surplus energy ought to be put towards unity.

Mr Crowley, thank you for your support at the European Council. I was very pleased to welcome you to the Élysée Palace as the representative of your group, and I must say I very much appreciate the courage and the honesty that you have always shown.

Mrs de Brún, yes, we have to reassure and persuade the Irish. You said to me that we have not gone far enough. I am sorry to say this but we cannot go further because otherwise, it would immediately mess things up in other countries. If, in order to sort out the Irish problem, we reopen the debate about ratification in other countries, particularly the United Kingdom, we put ourselves in an impossible situation, and the most difficult compromise was the discussion early, very early on the Friday morning at the European Council, between the Irish Prime Minister and the British Prime Minister, trying to seek an agreement. Mr Brown – I can understand this – did not want to reopen the debate about ratification in the United Kingdom when everyone knows it had been extremely painful. I think, therefore, that we cannot go further. Frankly, however, we are going quite a long way in promising a protocol to the first Treaty of Accession in two years time.

Mr Wojciechowski, we will help the Czech Presidency. There must be no doubt about that on your part. What did Mr Kaczynski say to me? It pains me to tell you because the last time he said something to me he did not keep to it. He said at the European Council that he would not put obstacles in the way of ratification of the Treaty of Lisbon if the Irish voted 'yes'. I merely reminded him of one thing – and I did so without joining in the debate with Mr Tusk, the Prime Minister – that is, that it was in my office, at three o'clock in the morning, in July 2007, under the German Presidency, with Mr Zapatero, Tony Blair and Mr Juncker, that

we obtained the signature of the Polish President on what was to become the Treaty of Lisbon, while he was in conversation with his twin brother, the Prime Minister at the time, in Warsaw.

I respect the Polish President, but I must say I was surprised that someone could sign a treaty in Brussels and refuse to sign the same treaty in Warsaw. Really! I am merely saying that when one signs on behalf of a state, then that is a promise! You will understand that. I shall say no more about it, but nonetheless, that is what was said to me. The Treaty of Lisbon was not negotiated by the Prime Minister, Mr Tusk, it was negotiated by the Polish President, Mr Kaczynski and his twin brother, who was Prime Minister at the time. There you are, that is all. In the end, it was not completely ratified because one signature was lacking, but it was ratified by Parliament. That is all.

Saying that is not getting involved in internal politics, that is being honest and I have to be honest, with all the responsibilities that I have, I have to say exactly what happened, whom we negotiated with and when. Otherwise, it is not possible to have confidence. It is not a matter of left wing or right wing, it is not a matter of Eastern countries or Western countries, it is simply a matter of keeping your promises. Without respect for your word, there will be no rule of law, there will be no Europe. It is as simple as that.

(Applause)

Mr Chruszcz, you know that, quite frankly, I did everything I could for Poland to find ways to reach a compromise. At the European Council in July 2007, under the German Presidency, we were not far off from disaster when certain Member States said that we should go on without Poland. It was only at the last minute that we were able to find a compromise on the Treaty of Lisbon. That is the truth. Nobody wanted Poland to be left out. Poland has 38 million people, which makes it one of the six largest countries in Europe in terms of population. We need you. In the compromise, I was at Gdańsk to negotiate with Poland and eight other Member States. We understood Poland's problems. We will support Poland, but Poland must also understand that, as one of the larger countries of Europe, it has rights but it also has duties.

After all, the counterparts of rights are duties, and it would be doing them a disservice if we said that, because you have been a member of the European Union for a shorter time than the others, you have fewer duties. Poland is an important European country. You should not reproach us for treating it as such, that is to say, asking a bit more of it, precisely because Poland is an important country. That is exactly what I wanted to do and I hope that the Poles understand that.

Mr Nassauer, thank you for your support as a very experienced Member of Parliament, as a German Member of Parliament. I was not shocked by your defence of industry in general and German industry in particular, because I see too often – I say this to Mr Schulz, as well as to Mr Daul – I see too often the devastating effects of the financial crisis in countries that have not defended their industries strongly enough. I think that transcends the divisions between us because we do not want Europe to become an industrial desert. An industrial desert means millions more people out of work, because if we let our jobs in industry go, then jobs in the service sector will go next. It is a mistake to say that we are defending services but not jobs in industry.

What we meant was that defending industry means forcing it to modernise, because Europeans will no longer accept industries that cause pollution. That is the balance that we have tried to find. It has been painful and difficult because Germany is a great industrial country and, inevitably, a great industrial country is more affected than a country that no longer has any industry. Your country is next door to Poland. If we made provisions to allow a derogation for Poland in 2013-2020, we could not have avoided raising the issue of new power stations in Germany, so as to avoid a distortion of competition between two countries that are so close. There again, I think that that was being honest.

Mr Rasmussen, do not worry too much about the results. You are absolutely right. Nonetheless, do not forget the social stabilisers, because our American friends have a real flair for communicating, for announcing amazing figures. For the moment, these are just statements. I remember Paulson Plan I. We were all dumbfounded: suddenly, the Secretary of State to the Treasury was talking about 700 billion! Everybody was wondering whether Europe would be capable of doing as well. Then, what did we see? Three days later, it was not adopted by Congress and the Americans were back to square one.

What did we see after that? That after all, the sum was not what had been anticipated. The social system in the United States is nothing like the social system in Europe, in each one of our countries. The social stabilisers have to be added to the money put in for recovery, that is, all the benefits payments, what we are doing to protect them from the development of inflation, and whatever else we are putting into the pot. However,

for goodness sake, let us at least believe in the plan we are implementing! Maybe the crisis will be so serious that we will need to do something else. But then, never mind! What has been achieved is not nothing. You say to me that the United Kingdom and Spain have done more. But Spain had a surplus budget and is facing a property crisis on an unprecedented scale. Mr Zapatero has reacted extremely well but, we can hardly envy the situation that the Spanish economy is in.

As for the United Kingdom and the banks, people often say to me: 'Mr Brown has done more than you have'. Yes, but the difference is that, as the English banks were completely involved in the American system, there was a risk of bankruptcy that we did not experience to the same extent – this was a matter for debate between the Commission and ourselves – in the other Member States. We have to have the wisdom to wait a while to see how the implementation of the different plans evolves. I remain optimistic about Europe's ability to work together.

Finally, one last point, you tell me to carry on, Mr Rasmussen. Yes, to carry on as I am! Well, I must reassure you on that. There is no risk.

(Applause)

IN THE CHAIR: MR VIDAL-QUADRAS

Vice-President

Silvana Koch-Mehrin (ALDE). – (DE) Mr President, Mr Le Maire, Mr Borloo, in recent months the EU has very much proved its worth. That is to your credit, to the credit of the French Presidency.

I would have liked to have thanked President Sarkozy personally for taking the uncomfortable step of telling the German Chancellor clearly what he thought of the German Government's lethargy. Other European countries are taking action to prevent the crisis, but Germany is waiting until the crisis is upon us or until the next Bundestag elections. Germany is the largest economy in the EU and that is why it is a good thing that the EU partners have reminded the German Government of its responsibility. President Sarkozy has just repeated that reminder here.

If the EU had not existed, we would have had to invent it at the latest as a result of the financial crisis. None of the EU countries acting alone would have been or are in a position to combat the crisis. The euro is also an important stabilising force. It has once again become clear how important the common market is for prosperity and stability in Europe. However, we must not use the financial crisis as an excuse for putting at risk what we have jointly achieved. Therefore, the independence of the European Central Bank should be non-negotiable. We must not allow a return to protectionism. A renewal of the isolationist policy or a subsidy race between the Member States would also have catastrophic consequences for our citizens.

In addition, the EU regulations on competition and state aid must on no account be watered down. This also applies to the Stability Pact with the Maastricht criteria. We must preserve these achievements. However, the EU must take joint, concerted and decisive action to prevent the worst from happening. This is an opportunity for Europe, and President Sarkozy has made use of it. He has shown our citizens what Europe can do and given Europe a human face. I would like to thank him warmly for this.

Adam Bielan (UEN). – (PL) Mr President, the French Presidency did not have it easy. It coincided with a time when the world, including the European Union, was shaken by a dramatic financial crisis. Fortunately, unlike certain European politicians, President Sarkozy did not believe we would remain unaffected by the crisis. He took very swift action, for which I should like to thank him most sincerely.

A further crisis arose during the past six months, namely Russia's invasion of Georgia, one of our Eastern neighbours. Despite my generally favourable opinion of President Sarkozy, I have to say that he did not respond adequately to that challenge. His first mistake was to force President Saakashvili to sign an unsound agreement with Russia. The agreement was unsound because it did not provide Georgia with an essential guarantee, namely territorial integrity. At the time, Mr Sarkozy turned a deaf ear to colleagues he has himself today credited with the experience of decades spent behind the Iron Curtain. He must have turned a deaf ear to them, because had he heeded their advice, he would have learnt how experience had taught them that Russians consider any such concessions to be a sign of weakness. That is exactly what happened. The Russians are failing to comply even with that unsound agreement. The President of Poland was shot at on Georgian territory a few days ago, and the Russians have seized the Georgian village of Perevi. Even so, President Sarkozy has carried on regardless with his policy of mollifying Russia, reopening negotiations on a new Partnership and Cooperation Agreement.

President Sarkozy's term of office as leader of the European Union will come to an end in a fortnight's time. He will not, however, disappear off the European political scene, but will continue to play an important role on it. I therefore wish him every success in the future, and trust he will learn the lessons of his past mistakes.

Kathy Sinnott (IND/DEM). - Mr President, I would like to take the opportunity to offer some friendly advice, because many Irish voters are impatient with the Treaty debate. A poll two weeks ago showed that an overwhelming number of voters do not want a second referendum. They have made their decision and it makes no sense to them to continue the debate in the middle of a global economic meltdown. They are concerned with unemployment and with budget cuts that are affecting the most vulnerable. They feel alone in these problems, with their leaders chasing the Lisbon phantom.

It is especially annoying because the issues that brought about the 'no' vote, starting with the lack of democracy in the Treaty itself, have not been addressed; rather we have been told that the Treaty will remain unchanged and that what is offered is cosmetic.

We are an island nation, yet our fish and fishing industry are vanishing. Pro-life people remain concerned about the destruction of embryos in research funded by the EU. In voting 'no', voters voted to protect their jobs, their farms, their families and their constitution.

You talk about uniting Europe, but I put to you that what should unite us is democracy and what divides us is Lisbon.

Peter Baco (NI). - (SK) I was delighted by the European Union's proposals for international financial system reforms to include food security as a matter of priority. However, the Council's conclusions have failed to emphasise this priority.

Therefore I would like to bring to your attention the mounting evidence of a deteriorating financial situation for farmers. In the European Union this affects mainly the new Member States; elsewhere it affects South America and also other parts of the world. There has been an annual drop of up to 50% in farmers' prices while fertiliser costs have doubled and loans have become more costly, leading to gradually falling harvests.

With food stocks at a critically low level there is a real threat of a food crisis with unforeseeable consequences. The prevention of a food crisis must become a priority. We must increase stocks and therefore boost production, which in turn will require proper refinancing. I therefore call on the Council to make sufficient refinancing of harvests and food stocks its number one priority.

Jacek Saryusz-Wolski (PPE-DE). - (FR) Mr President, this has been an important Presidency, not because, as President Sarkozy said, there are large countries and small countries, but because President Sarkozy was personally able to meet the challenges.

The French Presidency has not had an easy time of it; far from it. It has had the crisis in Georgia, the financial crisis and other problems to deal with, including the Treaty of Lisbon. All that has required a response and action, and that is the most difficult thing for any leadership. This leadership has been a confident one. The French Presidency has demonstrated its capacity to take such action, and this does it credit and is beneficial for the European Union.

I am going to bring up three points, aside from Georgia and the economic crisis: neighbourhood policy, climate policy, and security and defence policy. The neighbourhood policy has received a powerful impetus both in terms of its Mediterranean dimension, with the Union of the Mediterranean, and in terms of its eastern dimension, with the Eastern Partnership, which deserves as much attention as the southern dimension.

It was time to move beyond the stage of discussing neighbourhood policy and onto energetic action. We needed to give the citizens of those countries a strong signal of support for their efforts at reform and their ambitions for better lives. It is essential to consolidate peace, stability and good governance in the regions close to our borders. In fact, I would even say it is an indispensable ingredient in our project of integration.

On climate and energy, I would just like to thank the French Presidency for its empathy and understanding with regard to the sensitivities of the new Member States.

The third subject area dealt with by the Presidency and the Council was the strengthening of security and defence policy, in particular through a significant improvement in civil and military capabilities, and in that sphere I would like to offer my congratulations.

To conclude, knowing how to do things is a question of providing oneself with the resources. That is the challenge of the presidency and of the summit. Whether we are working on the climate and energy package, economic recovery or security policy, however, we must all apply ourselves in a coordinated way to these efforts, and 'we' means both the institutions and citizens.

Hannes Swoboda (PSE). – (DE) Mr President, first of all, I would like to offer my sincere thanks to Minister Borloo for his commitment in relation to the climate change package because it really is a very good solution and one that we can defend to the hilt.

I would like, however, to talk about external relations, and in doing so I am also addressing the new Minister for European Affairs. The Council has adopted the fundamentals of the Eastern Partnership. President Sarkozy has already said that, if we want to succeed in the Black Sea region, it is obvious that we have to include Russia. Of course this must be a Russia that also respects the territorial integrity and independence of the countries there and that is prepared to help solve the problems in the Black Sea region.

We certainly also need Turkey. I am really amazed that Turkey has not been mentioned at all! How, in this situation and in this region, can we hope to solve anything without Turkey? Recently, I led a delegation from this Parliament to Turkey. Mr Rocard, who was a member of the delegation, repeatedly asked: 'And how are you finding the French Presidency? Is it behaving objectively?' This question was always answered in the affirmative, in other words with the answer that the French Presidency had indeed been behaving objectively. If France's behaviour were just to continue in this vein – and I am talking now about France as a Member State – the negotiations with Turkey would be concluded very quickly, with the chapters all completed.

Consequently, what are we doing with a Turkey that we need as a partner in this region? I do not want to decide your answer for you, Minister, but you need to consider how we go on from here, because, if we hope to achieve something in this region in terms of stability and solving its crises, we need cooperation with Turkey and we have to recognise that Turkey is an important partner for Europe. For this it is not just the French Presidency we need, but France the country.

Jean-Marie Cavada (ALDE). – (FR) Mr President, while the tanks were threatening Tbilisi and the French Presidency was ushering Europe into the role of peacemaker, a role that it ought never to have abandoned, I re-read a Hungarian author, Sándor Márai.

He describes the causes of the calamities that twice destroyed Hungary, half of Europe, and finally the whole of Europe, and shook the world, namely Nazism and Stalinism. History and its attendant violence have now returned and, naturally, the crisis in Georgia, the financial crisis and the social or political consequences that may be anticipated are serious basic elements.

Europe's political will must be up to the challenge of tackling these events and this new violence, and we are grateful to the French Presidency and all the institutions for having dealt competently with these issues that pose a threat to our stability and peace. Of course, the financial crisis has not been definitively resolved, and is not over. Of course, relations with the Mediterranean have a new institutional framework. One cannot, however, deny the historic change in direction represented by the climate issue. Europe is undeniably becoming a leader, even if not everything is satisfactory.

Europe needs a sustained high-level political leap, above the rights, the lefts and the extreme centres, in order to combat threats that are returning with a violence that we have experienced in the past.

Peoples who do not know their histories are condemned to relive them, says the philosopher. This crisis has reminded us that it is men who make history, not history that makes men.

Mogens Camre (UEN). – (DA) Minister, at this late hour I will restrict myself to just one point. I am sure that you are aware of the ruling made by the Court of Justice of the European Communities – or rather the Court of First Instance – on 4 December when, for the third time, it annulled the inclusion of the People's Mojahedin Organisation of Iran (PMOI) on the EU's list of terrorist organisations. I would ask you to confirm that the PMOI is now no longer on the list, and I would ask the Presidency to respect the three rulings of the Court, thereby helping to ensure that we never again label the Iranian people's freedom movement as terrorists. This will not serve Europe's interest in a democratic future for the Iranian people.

Margie Sudre (PPE-DE). – (FR) Mr President, this has been a very fine French Presidency. There have been very few discordant voices disagreeing with that conclusion. The 27 Member States have overcome their differences and have reached a series of exemplary decisions.

On the energy and climate package, Europe is taking its first step, and it must be said that this first step is a huge one. It now has the means to assume its environmental responsibilities without, however, sacrificing its economy. It may now take the lead on the issue and carry the other continents with it along the road of sustainable development.

Additionally, Ireland is proposing a way in which it can escape from its isolation. Our Irish friends will once again take a decision on the Treaty of Lisbon, but this time with all the cards in their hands, since practically all the other Member States will have made their final decisions.

The current crises show us that the European Union needs, now more than ever, the best institutional tools in order to be effective. The European Council has adopted a massive, coordinated economic recovery plan, based on long-term investment in production and support targeted at the most severely affected industrial sectors.

President Sarkozy has raised the issue of the reduction of certain VAT rates, and I fully share his views. Let us hope that the Ministers for Economic and Financial Affairs will in March reach the agreement that appeared impossible for the Heads of State or Government last weekend. The challenges facing Europeans offer the EU an opportunity to demonstrate to citizens that they are more united, more responsive and more anxious to protect them.

We are grateful to the French Presidency for having instigated this new dynamism. We, like Mr Sarkozy, hope it will be a long time before we see again the Councils of yesterday, which lasted till four in the morning and hardly succeeded in negotiating anything. During the last six months, Europe has completely changed in terms of outlook, scope and credibility. For this we ought to thank the French Presidency, and we are well aware that this is a role with which it is not entirely unfamiliar.

Robert Goebbels (PSE). – (FR) Mr President, to a president to whom history has not been kind – I am referring to Chairman Mao, not President Sarkozy – one can offer the following maxim: ‘as long as you are still falling, you have not yet reached the bottom’. The world economy has not yet reached the bottom. The financial crisis has had its run extended. A new financial scandal is demonstrating the incredible irresponsibility of bankers in the face of the capitalism of speculation, while the same bankers are rediscovering all their supercilious inflexibility when considering requests for credit from consumers and business-owners.

As the European Central Bank lowers interest rates, the banks are increasing their margins. The states that have just bailed out their banks ought to make it mandatory for them to pass on immediately the significant reductions to the ECB’s base rate. This would be a recovery measure that would cost national budgets nothing. The economic recovery plan adopted by the European Council is unsatisfactory. Apart from the additional loans by the European Investment Bank, there is practically no extra money.

The United States is going to inject more sizeable amounts into its economy. It can do so because the rest of the world is continuing to offer it credit despite the colossal deficits of the US state, its businesses and its citizens. Europe is paying a very high price for the absence of a truly unified macroeconomic policy. The timidity of the ECB and the euro area states is preventing us from funding a more effective economic recovery policy through the issue of Eurobonds guaranteed by a European Union whose funding capacity remains intact.

Mr President, thank you, I will stop there, but President Sarkozy spoke for 72 minutes while we have 90 seconds in which to express our views.

Andrew Duff (ALDE). – Mr President, the package on the Treaty should be sufficient to persuade the Irish to change their minds. I was far less clear that the quality of the decisions on economic policy were as sound. What conclusions were reached on the concept of ‘crass Keynesianism’ peddled by Mr Steinbrück, a party colleague of Martin Schulz?

I suspect that Mr Sarkozy would describe himself, following this experience of the financial crisis, as a Keynesian. In the absence of a prudent stimulus to productive employment from Germany, I suspect that there cannot be a sure recovery from the economic recession.

Guntars Krasts (UEN). – (LV) Thank you, Mr President. Following the Council’s agreement on the climate package, 2008 became the most important year for climate change prevention since 2001, when the Kyoto Protocol was adopted. The adoption of the climate package also marks a shift to a new economic thinking that will reduce the European Union’s dependence on imported energy and the economic and political risks linked to uncertainty of supply. The time of economic difficulty that we are currently experiencing is a

moment when we are ready to fundamentally uproot the ideas we have had up until now and when we are most open to innovation. We welcome the success in reaching a compromise on the sectors in which adaptation to new conditions will take time. It is fair that extra assistance is provided to those countries that have reduced CO₂ emissions by more than 20% in the period since 1990. With regard to the Presidency, the outcome of the last European Council can be regarded as a success for it, as can the Presidency's active role in the resolution of the conflict between Russia and Georgia, if it were not for the fact that the European Union has left to Russia the right to interpret performance of the agreement entered into under its aegis. The Presidency has not managed to overcome all the old shortcomings. Thank you.

Laima Liucija Andrikiienė (PPE-DE). – (LT) I would like to congratulate France for presiding so splendidly in the last six months. The world financial crisis, the conflict between Russia and Georgia, and relations between the EU and China have been just a few of the challenges. This has been the context of these six months and we must recognise that France has performed the role of EU President effectively and impressively.

I would like to express a few thoughts on the European Neighbourhood Policy, in particular the Eastern Partnership, which was discussed at the EU Council in October and last week in Brussels. The events in Georgia are a clear example of how the European Union can act at the epicentre of events and how it can influence them positively. Most importantly, it also shows how the European Union can be united and show solidarity.

Another example is Belarus, which for many years now has not been able to take advantage of the opportunities of the European Neighbourhood Policy. I would like to stress that this autumn changes have also been observed in Belarus which offer hope that relations between the EU and Belarus can be qualitatively different; they can be truly neighbourly relations.

The opportunities to cooperate are very real if the Belarus leadership realises its obligations regarding freedom of the press, elections, the Internet and other issues mentioned to us.

Today President Sarkozy said, and I quote: 'I have tried to make Europe move, but over the last six months Europe has actually changed me. I have become more tolerant and open' (end of quote). Ladies and gentlemen, it seems to me that Europe helps many people change, ourselves included and, as for Belarus, even the leader of that country, Alexander Lukashenko. This is great.

Pervenche Berès (PSE). – (FR) Mr President, governing means looking ahead. One may wish to rewrite history and to stage the story in order to make the crisis begin with the fall of Lehman Brothers on 15 September 2008. Everyone knows, though, that it was in August 2007 that all the warning lights went on and that that was the time to have made the issue of the supervision of the financial markets and the management of the crisis into one of the French Presidency's priorities.

Unfortunately, we had to wait for the fall of Lehman Brothers before President Sarkozy grasped the issue and began bounding from summit to summit. What the proposals and solutions put forward actually amount to is a plan of unconditional support for the banks, backed up by a monetary policy that is now accommodating.

Consequently, what do we see? We see banks which, rather than doing their jobs, namely funding the real economy and investment, are building back their margins. That is not what Europe needs. We need European action that is targeted at ensuring a banking sector at the service of the economy and I think that, in the period that is approaching, we are truly going to be in need of this. I am not sure that we currently have sufficiently solid foundations to cope.

Marian Harkin (ALDE). – Mr President, the Irish 'no' to Lisbon was never just an Irish issue: it needed to be dealt with as a European issue, and that is what has happened.

One of the responsibilities of any politician is to find solutions. The Irish Government listened to the concerns of the Irish people and, in partnership with their European colleagues, has drawn up a number of legal guarantees that will address the core concerns of Irish citizens.

Subject to satisfactory conclusions, the Irish Government will run a second referendum, and that is the essence of democracy: politicians working to produce a solution and then asking the people for their consent.

However, I have a very strong word of warning: we must not, again, underestimate the forces at play here. We must pay very careful attention to those who are trying to influence the outcome and those who are funding part of the 'no' campaign. We must fully understand that some on the 'no' side, who profess to be

pro-European, want to see an unravelling of the EU and its institutions. Ireland was and will be a battleground for the heart and soul of Europe. That is what is at stake – nothing less – and it is worth all our cooperation, all our commitment and all our efforts.

To those, like Nigel Farage, who lecture us on democracy and others who say that the people of Europe, given a chance in a direct vote, would say 'no' to Lisbon, I want to say: you have neglected to check the facts and figures. The results from five direct votes – four on the Constitution and one on Lisbon – have yielded 27 million EU citizens voting 'yes' and 23 million voting 'no', so the majority of EU citizens who have voted directly have voted 'yes'.

Finally, even though Mr Sarkozy has left, I want to thank him for his energy, his commitment to the EU and his efforts to find solutions to difficult problems.

Jana Hybášková (PPE-DE). – (CS) On behalf of the chairman of the European Parliament's Delegation for relations with Israel, I would like to thank the French Presidency for an exceptional effort in upgrading relations between Israel and the European Union. One of the results of the Iraq war has been Israel's recognition of the fact that it is no longer the US's sole ally in the Middle East. Israel has therefore decided to diversify its security and forge closer ties with Europe.

On 14 June this year we were pleasantly surprised when the Association Council took account of the results of the Reflection Group and expressed a willingness to upgrade relations. It was up to the French Presidency alone how to handle the preparation of a new EU-Israel action plan and above all how to achieve political consensus in the Council. The Council's conclusions in relation to the Mediterranean, Morocco and Israel are staggering. They express a genuine political will for cooperation, for meetings of Foreign Ministers, cooperation in the Political and Security Committee (COPS), possible Israeli participation in ESDP (European Security and Defence Policy) missions and *ad hoc* political consultations following the summit meeting. An upgrading of relations would possibly give Europe a greater influence on value for money and possibly more direct influence on the Middle East peace process.

Mr President, I firmly believe that our Parliament too will soon confirm its consent to possible Israeli participation in Community programmes. The requirement for improvements in the situation in Gaza is absurd and it shows a failure to understand Europe's responsibilities and its role. I hope we shall soon put this right, and support through our dignified proceedings both the consensus in the Council and the hard work of the Commission. I hope that, based on a common political effort, the Czech Presidency will manage to stage a Europe-Israel summit, the first summit in history between Europe and Israel since the Second World War.

Libor Rouček (PSE). – (CS) I too would like to compliment the French Presidency for its excellent work. Under French leadership the European Union has coped jointly and effectively with the Georgia crisis and is handling the challenging financial and economic crisis in a coordinated and firm way. It has managed to conclude a good and balanced compromise over matters relating to the energy and climate package and has also worked with the Irish Government to find a solution to the problem of Lisbon Treaty ratification in Ireland.

However, the Lisbon Treaty is not yet in the bag. The Czech Republic, which in 14 days takes over the presidency of the Union, has yet to ratify it. Czech Premier Topolánek, whom President Sarkozy has spoken of as a courageous man, has broken a promise made generally and also made personally to President Sarkozy that Prague would ratify the Lisbon Treaty by the end of this year. Prague has failed to ratify and it has enormous problems with ratification. The MPs and senators of the Civic Democratic Party, who are also members of the Group of the European People's Party (Christian Democrats) and European Democrats, reject the Treaty. This will be a major problem for the Czech Presidency. However, I would like once again to thank the French Presidency.

Werner Langen (PPE-DE). – (DE) Mr President, Minister, ladies and gentlemen, I believe that our conclusion on the French Presidency must be that it was truly a successful one. Minister Borloo, I recall that, in the beginning, I was still very sceptical about whether it was possible to implement such an ambitious programme. Even if I do not agree with everything, the result has been really good. France's officials and its ministers have done outstanding work, and this applies not only to the person of the President, but to all those involved. It is truly praiseworthy.

We have had real debates here. Mr Rasmussen laid into Angela Merkel. We all know that conventional economic stimulus packages fizzle out, increase state indebtedness and have no long-term impact.

Mr Rasmussen got the election campaign under way here, but he has forgotten that the German Finance Minister is Mr Steinbrück, a socialist. It is Mr Steinbrück who vehemently insists that no further economic stimulus packages be put in place at this time because we are still far from actually being able to see the scale of the crisis.

On the contrary, it is necessary for countries to maintain budgetary discipline and stick within the limits of the Stability and Growth Pact. In this regard, I did not understand the proposals made by the French President to simply do away with the Stability and Growth Pact in order to be seen to be actively doing something. It is therefore quite right that individual Heads of State or Government put the brakes on and brought some perspective to this excessive zest for action in Europe on the part of the French President. Our strength is that we – times of crisis are times for government action – in Europe take our foot off the accelerator, that we debate matters here in the European Parliament, that we do not jump the gun, and that we fully and totally accept the identities of the Member States, their histories and their different political structures. This is also our success.

The package is a sound one overall, and the thanks directed towards the French Presidency are absolutely and completely justified. Minister, please would you pass these thanks on to all the institutions? Thank you very much.

Enrique Barón Crespo (PSE). – (ES) Mr President, President-in-Office of the Council, Vice-President of the Commission, ladies and gentlemen, we say 'Bravo!' to the French Presidency. President Sarkozy has been a musketeer for Europe in the best French tradition, and he has brought the musketeer motto up to date by saying that the world needs a strong Europe and that Europe is not strong if it is disunited. I would add something else, which is that Europe works better by using the Community method, and I believe President Sarkozy has come to understand and adopt it.

Mr President, I have been in the European Parliament for 22 years. This is the first time I have seen the Presidents of all three institutions – the Council, the Commission and Parliament – give the incoming presidency a serious warning. The Czech Government has postponed ratifying the Treaty of Lisbon. Moreover, there is something else I must add: the presidency will not be held again by a euro country until 2010.

For the achievements of the French Presidency to have a future, I think it is very important to have continuity, and I appeal to the Czech Government's sense of responsibility in this respect.

Colm Burke (PPE-DE). – Mr President, the Irish Government has managed to spin a successful story detailing its valiant efforts to defend the rights of the Irish electorate at the recent European Council summit. It has championed the will of the people of Ireland in Brussels and has secured legally binding assurances on all sensitive issues for Ireland.

The key point is this: the concerns expressed during the Lisbon referendum in relation to taxation, military neutrality and abortion were largely based on misinformation. The reality is that either these issues are unaffected by the Lisbon Treaty or protocols safeguarding Ireland's position are already attached. For example, Protocol 35 to the present Lisbon Treaty protects Ireland's stance on abortion.

My party, Fine Gael, has recently made a number of concrete suggestions, following the subcommittee's report on its analysis of the Irish 'no'. With these proposals Fine Gael is attempting to address the root causes of the Irish 'no'. Legal assurances will not be enough for the Irish to vote 'yes' in the autumn of next year. There must also be a meaningful engagement with the Irish people, to rebuild understanding of and support for the European process.

Voter research after the referendum revealed a very low level of public understanding of the role and functions of the European Union. This disengagement is a major challenge for both the European Union itself and for the national political system and should not be underestimated again by the Irish Government.

Among our suggestions we propose a constitutional change to allow future international treaties to be referred to the Irish Supreme Court when they are agreed, to establish which provisions should be put to the Irish people. Such a mechanism would tease out the issues in need of debate in Ireland, would let the Irish electorate have their say and would finally allow Ireland to ratify the spirit of such treaties overall without stalling progress for other concerned parties.

We also propose the establishment of a new constitutional office of European Union Citizens' Officer. The appointee would act as an independent advisory officer on all aspects of EU legislation, including its

transposition into Irish law. This individual would be responsible for providing impartial information on the facts about European issues, including when conflicting arguments arise.

Richard Corbett (PSE). - Mr President, with regard to the Irish agreement at the European Council, I must say that this is a huge success for Irish diplomacy. I was, frankly, surprised that the other Member States conceded so quickly on the size of the Commission, reverting to one Commissioner per country. I know that many Member States had reservations about that. But the fact that they did so shows the willingness of other Member States to move to meet the concerns that were expressed in the Irish 'no' campaign and the 'no' vote. This is not an attempt to ignore the Irish 'no' vote. It is an attempt to respond to the 'no' vote, to move to meet halfway and to try and find a solution that is acceptable to all 27 countries.

In this Union, when there is a divergence like that, we try to bridge the gap. The other Member States have shown their willingness to move to meet Irish concerns. I very much hope that will be sufficient to enable a positive result in a new referendum to be held next year, when it is up to the Irish people to make their choice.

Mario Mauro (PPE-DE). – (IT) Mr President, ladies and gentlemen, I too would like to congratulate the French Presidency, or rather the few survivors from the Council after our long debate, as well as our Commissioner, who has shown greater stamina.

I have to say that in these six months we have caught a taste of the time of the founding fathers. Deep convictions have shown us that what unites us is greater than what divides us. I think this is an important lesson that has come from the French Presidency, which has also opened up a very promising horizon: that is to say, it has helped us understand that European extremism is not the way forward. What is more, the balanced way in which the climate package has been handled in fact tells us that integration is not an end in itself, but provides a vision that is able to bring us all back to our shared goals.

I would simply like to observe in this instance that, if these precepts are so important, then it is worth learning our lesson in courage and following it through. On the subject of the economic and financial crisis in particular, it would pay for us to be braver, and therefore the measures we have adopted thus far should be accompanied by more decisive initiatives such as the adoption of Eurobonds; I believe that this would be the best way to take the perspective given by the French Presidency to its natural conclusion.

Proinsias De Rossa (PSE). - Mr President, I welcome the decisions on the Lisbon Treaty by the European Council. Unsurprisingly, the Europhobic 'no' campaigners continue to prattle on with their threadbare arguments, reflected here today by Ms de Brún, Ms Sinnott and Mr Farage.

The right of each Member State to nominate a Commissioner has been secured; the guarantees have been negotiated to address other concerns, the content and nature of which have still to be negotiated. Workers' rights issues arising from the Laval and other judgments must be comprehensively addressed. But these ECJ judgments are based on the Posting of Workers Directive, not the Lisbon Treaty; that is the directive that needs not only to be amended but also comprehensively implemented by the Member States.

The content of the guarantees has to satisfy the broad majority of the Irish and European citizenship. They must not be used to freeze social progress in Ireland or Europe or to deny any of us the benefits of the Charter of Fundamental Rights. This Parliament and all politicians in Ireland have a responsibility to participate in shaping the content of those guarantees and to ensure that the conclusions are not regressive.

Simon Busuttil (PPE-DE). – (MT) I would like to congratulate the French Presidency particularly for its achievement on the Lisbon Treaty. I refer here to the issue involving the number of Commissioners. I heartily welcome the decision whereby there will be one Commissioner from each Member State and that this will be included in the Treaty as a principle. Firstly, we would do well to recall that the reduction in Commissioners was already agreed upon in the year 2000 under the Treaty of Nice and was not something that was introduced for the first time under the Lisbon Treaty. Nevertheless, I believe that this is a significant agreement and that it should be welcomed because it is important that each country feels it is being represented in the Commission. Why? To begin with, it is linked to the trust that people should have in the Commission. Secondly, it reflects the contribution that each country, however small or large it might be, ought to make within the Commission. It is not because the Member of the Commission is representing the interest of his or her country but because the Member of the Commission must ensure that no country is marginalised. Finally, it is because the Commission's efficiency depends not so much on the number of Commissioners but rather on its internal organisation. In my opinion the present Commission setup of 27 members has proved to be an effective organisational system. This is why I believe that every cloud has a silver lining. In a way, thanks to the Irish

population, we now have an agreement on the principle of one Commissioner per Member State. I do hope that now the Irish population will also lend its support to this principle.

Jo Leinen (PSE). – (DE) Mr President, it is good news that the ratification process for the Treaty of Lisbon is continuing with the second referendum and that, perhaps, we will now get this Treaty in 2009 after a wait of eight years. The bad news is that we are paying a high price for this and, in one area, too high a price, I believe.

For the time being, the reform of the Commission has been killed off. Reforming the Commission was part of a package of reforms for the institutions. I think what has been decided here will come back to haunt us in a few years' time. When the seven states of the former Yugoslavia are members of the EU, the former Yugoslavia will have more Commissioners than the six large Member States in the Union. This is a violation of balance. This issue has only been postponed, not resolved.

I feel that there is also a lack of leadership on this question. The Presidency of the Council – just like that of the Commission – has failed to set boundaries in good time. We can see clearly that the 'no' camp are not satisfied; they will find new bones of contention.

We need to get a publicity offensive under way now and not leave the second referendum to the populists. That is what we have to do now.

José Manuel García-Margallo y Marfil (PPE-DE). – (ES) Mr President, we all agree that the current crisis is much more severe and much deeper than had been forecast. These are extraordinary times that require exceptional measures, and the French Presidency has been equal to the task.

It is now up to us – essentially Parliament and the Commission – to ensure that all these special assistance measures do not cause irreversible collateral damage to the architecture of Europe.

The first area at risk is competition policy. We are in wartime. Rules of war prevail, but even in wartime the Geneva Convention applies, and it does not, of course, allow banks that have been recapitalised by the state to use this aid to buy up other banks. The Minister knows what I am referring to.

The second area is the Stability and Growth Pact, which I consider a keystone of Europe's architecture. I applaud the taxation measures that are being taken, but I do not applaud the idea of regarding the public purse as a kind of piggy bank that we can smash with our eyes shut, for the money to fall where it will. This is no Marshall Plan paid for by Uncle Sam. It is an economic recovery plan that will have to be paid for by tomorrow's taxpayers.

Let us not forget, therefore, that today's debts are tomorrow's taxes. The winner here will not be the one who spends most, but the one who spends most sensibly. The only criterion for deciding whether we are spending well or better is whether it helps us recover from the economic crisis and, essentially, create jobs.

I cannot therefore share Mr Rasmussen's idea that the cleverest pupils in the class are those who have rushed to spend most.

Lastly, there is the matter of financial stability, to which Mr Sarkozy referred. I agree that reforms are needed, the regulatory framework must be revised and we need to make an enormous effort to achieve greater cooperation among European regulators, so long as we do not have a single European economic regulator.

Gary Titley (PSE). – Mr President, rather like Mr Schulz, I was concerned at the beginning of this presidency at the slowness to react to the looming financial crisis. I think Europe as a whole was guilty of complacency in thinking that this was not our problem, but an American problem.

However, since that financial tsunami has hit us, I welcome the response we have had; I welcome the leadership we have had from my own Prime Minister, Gordon Brown, and from President Sarkozy.

What we have learned is that Europe stands or falls together. If we act individually we are lost, and events have proved that. We are in a situation we have never been in before, and that is why I welcome the dynamic leadership we have had, in contrast with Mr Kirkhope's party, whose members, like rabbits paralysed in the headlights, think that doing nothing is the only solution to our great crisis.

I note that President Sarkozy talked about 'our friends, the Americans'. The West as a whole faces a huge crisis. We can only come out of it if we make working together a priority. So we must emphasise the

importance of Europe's working with the new administration in January, so that we have a united front to the great challenges such as climate change and the financial crisis.

Elmar Brok (PPE-DE). – (DE) Mr President, Vice-President of the Commission, Mr President-in-Office of the Council, two events have shown that Europe can play a role and have influence. In Georgia, it was Europeans who stopped the war, and in the financial crisis it was Europeans who forced the others in the world, via the G8 and the G20, to agree to arrangements and to negotiate, so that in future this kind of thing will not be possible again.

Can we really leave it to chance to have an active Presidency of the Council by one of the large Member States next time, however? I say this because France and President Sarkozy have excelled. I believe that we need a more stable institutional framework to ensure that it will be able to function in future. That is why the ratification of the Treaty of Lisbon is so important for so many reasons and that is the third event on which I would like to compliment the French Presidency, in that it achieved an agreement, on the basis of what the Irish Parliament drew up, to propose solutions relating to the clarifications – or whatever name is to be used – of the issue of Commissioners and much else besides.

I believe that it is now Ireland's responsibility to respond to this in a positive manner. As many of us have said already, these things, and in particular the question of Commissioners, have not been easy to accept for many people. I do believe, however, that efficiency can be achieved in some other way.

There is one important thing to point out in this case, and that is that the reaction of the opponents of the Treaty of Lisbon shows that they are having to make up new material now that their arguments from the first referendum have been taken away from them. From this it is clear that they are no friends of Europe, that they are not people who want a better Europe, but are instead dead set against European integration and are always looking for new arguments to help them reach their goal.

This should be incentive enough to push on and bring this matter to a close. I am sure that the Czech Presidency – the first Council presidency by a former Warsaw Pact country – will set about this issue with a particular sense of its responsibility and will, in collaboration with its French and Swedish colleagues, bring this matter to a successful conclusion.

Adrian Severin (PSE). – (FR) Mr President, ladies and gentlemen, what are the lessons of the French Presidency? Here are three of them.

The first lesson is that the European Union needs a strong presidency, which is carried out over a longer period than the processes that the presidency is to manage, and by a dynamic, competent figure able to dedicate himself fully to European interests and affairs. Therefore, we need the Treaty of Lisbon, as a minimum. It is true that Europe should not be personalised, but it ought to be personified.

The second lesson is that the European Union needs a presidency that is capable of forging compromises between the representatives of nations, taking support from the representatives of European citizens. Therefore, we need a stronger Parliament, because a united Europe is not a threat to nation states. It is anarchy and neo-feudal fragmentation which constitute the inevitable alternative to the process of European integration, and which pose a threat to the integrity of nations.

The third lesson is that the European Union needs economic governance that is able to balance sustainable growth with social solidarity and cohesion. If a multi-speed Europe, even although undesirable, proves to be inevitable, then this Europe must structure itself in line with the difference between proactive policies and not the difference in levels of economic development.

As for the rest, I would like to offer my congratulations and thanks. Let us give credit where credit is due.

Andrzej Jan Szejna (PSE). – (PL) Mr President, the latest European summit will be seen as marking a turning point in history. As far as the new Member States are concerned, it is comparable in importance to the accession negotiations and treaties. This is because of the significance of the energy and climate package.

I was pleased with the news concerning the Union's unity, and with its capacity to reach a difficult compromise regarding the energy and climate package. I would like to sound a word of warning though, and point out to the House that this compromise only marks the beginning of the road ahead. Only in 2020 will we discover if we have achieved success concerning climate and energy. In other words, only then will we find out if the '3x20' objective has been achieved and if the economies of the new Member States, notably Poland, have been modernised effectively without having to bear unduly severe social and economic consequences.

The decisions on ratification of the Treaty of Lisbon are cause for optimism. Conversely, the proposals relating to joint action to combat the financial crisis are disappointing. So too, in particular, is the deepening economic crisis in the European Union, which is making itself felt ever more strongly amongst the citizens. I therefore call on the Commission and on the incoming Presidency to present a genuine programme of joint actions that will prevent a rise in unemployment in Europe and a fall in the Union's economic growth.

Véronique De Keyser (PSE). – (FR) Mr President, President Sarkozy, this is a Presidency that will stand out. Managing to make Europe speak with one voice is no mean feat, but in the sphere of human rights, you have disappointed and shocked us.

The latest disavowal concerns the political upgrading of Israel, carried out at full speed in the Council. As you know, even European aid is no longer reaching Gaza. You know that Commissioner Michel is speaking of collective punishment. Hundreds of e-mails have been sent to the European Parliament imploring it to make the upgrading conditional on compliance with international law. We are postponing our vote, but what are you doing? You are forcing an unconditional 'yes', and the justification you are giving is that this will mean we will have more influence over Israel. Am I dreaming? Since July, Israel has had an agreement in principle and, in addition, has held the vice-presidency of the Union for the Mediterranean.

Has it imposed a freeze on settlements, reduced the checkpoints or loosened its stranglehold on Gaza? No. Consequently, to give an electoral boost to Mrs Livni, you are dismissing human rights out of hand and reinforcing those on the ground in both camps who believe that only crime and violence pay, and who seek confrontation. Mr Sarkozy, this is no longer *realpolitik*, but either blindness or unacceptable cynicism.

Tunne Kelam (PPE-DE). - Mr President, I admire the French presidency for its determined leadership. This is also needed to counter the aspirations of a militant Iranian regime which has been terrorising its own nation for years and is exporting terrorism massively – and, I am afraid, in the future, also weapons of mass destruction. Ironically, the EU Council continues to keep the only serious opposition force on the list of presumed terrorist organisations. That is the PMOI, whose goal is to bring about a secular and democratic Iran by non-violent means.

On 4 December 2008, the European Court of Justice delivered its third verdict declaring invalid and unjustified the European Council's July decision to keep the PMOI on that list. I count on the statesmanship of the French presidency to respect the verdicts of the European judiciary and to give the Iranian opposition a chance to bring about real change.

Avril Doyle (PPE-DE). - Mr President, I fully support the last statement by Tunne Kelam.

It was an important summit with an important agenda. I would like to acknowledge and thank the French presidency for its untiring work on the recovery package and the climate and energy package. But for now I would like to concentrate on a third important agenda item.

Last week at the summit, our Taoiseach and Minister for Foreign Affairs secured a positive response from all the other heads of government to the concerns expressed on 12 June 2008 by a majority of Irish voters when they said 'no' to the question of ratifying the Lisbon Treaty. To those Member States which had doubts about aspects of what we were seeking, as our Minister Martin put it, I thank you for making the effort to accommodate us, with a Commissioner all round and legal guarantees on taxation, neutrality, the right to life, education and the family. There will still be those who continue to argue against a second referendum. However, the majority of the Irish continue to acknowledge and fully appreciate our EU membership, particularly at this time of unprecedented global economic difficulty, when marginalisation and loss of influence cannot be an option for us and when unfettered access to the single market of 500 million consumers is critical for Irish exports – including our delicious pig meat by the way – so we can trade our way back into growth.

There is a 'but' and that is that our increasingly hapless and rudderless government will have to do what it failed to do in June, which is to put its collective shoulder to the wheel and explain the Treaty, its purpose and its benefits. If not, its members' realisation that they will otherwise be out of the door will perhaps their concentrate minds.

Csaba Sándor Tabajdi (PSE). – (FR) Mr President, I would like to congratulate the French Presidency, which has been very ambitious, very consistent and very successful.

Firstly, I very much welcome your action aimed at getting the financial and economic crisis under control. I would like to thank Mr Sarkozy and Mr Barroso personally, on behalf of the Hungarian people, for the assistance given to my country.

Secondly, I would like to congratulate you on the approach you have taken in the agricultural sphere. The adoption of the health check and the start of the period of reflection are very positive initiatives. They should be continued with French support.

Thirdly, the energy and climate package is the result of a historic compromise. The compensation granted to the new Member States cannot wholly remove our feeling that we have been discriminated against.

Finally, the handling of the crisis between Georgia and Russia was very positive and made it possible to avoid a chill in relations between Russia and the European Union.

Carlo Fatuzzo (PPE-DE). – (IT) Mr President, ladies and gentlemen, please convey to President Sarkozy that Carlo Fatuzzo is 100% in favour of what the French Presidency has done over the last six months.

Please also say that I arrived in the House just as President Sarkozy was saying that commitment to big projects promotes agreement and makes them easier to achieve. I would like to thank him because he has encouraged me to realise a big project of mine, a great project of mine as a representative of pensioners, elected to this Parliament for the second time, and that is that European citizens as pensioners, as older people, should be in a better position than when they were workers. They should have more money, more respect and more dignity, once they have retired. It is a great project, but I am all the more encouraged by the words I have heard today from President Sarkozy.

Mairead McGuinness (PPE-DE). – Mr President, I would just like to say that President Sarkozy has a great deal to answer for because the *Irish Times* today is reporting that the whirlwind six-month tenure as EU President is coming to an end, leaving diplomats and journalists in dire need of a holiday! Can I also add that as Christmas approaches we all need a holiday, not least those of us who are approaching a European election and a second referendum on the Lisbon Treaty. On that issue there will be much debate into the future.

The problem for Ireland is not so much the contents of the Treaty – we know that from the first vote – it is in dealing with the issues that people have concerns about, and the Council has done that. What the Council cannot do for Ireland is convince the public who are disaffected by their government at the moment to support this Treaty. It rests, therefore, on those of us who fully back the Treaty and the legal arrangements which we hope will be in place to canvas widely for the values that are in the Treaty and to divide the issues of national concern from those at European level. It will be a tough job, I think you know that, but with the support of this House it can be done.

Gábor Harangozó (PSE). – (HU) First of all, I would like to congratulate the French Presidency for its historically significant work. The EUR 200 billion economic stimulus plan, the simplification of regulations and the streamlining of the institutional system are effective changes. These are achievements that can help to stimulate the European economy.

The lack of social equilibrium, however, is posing a serious problem for Europe. The effects of the crisis are pushing social inequalities in many countries to breaking point. We need to take emblematic and effective steps on behalf of our most vulnerable citizens, deal with further social tensions and prevent the spread of aggression. I am pleased that the renovation of social housing can be extended to the tower block apartments of people on low incomes, but we should not forget that there are some rural, impoverished settlements that have sprung up where it would be a mistake to upgrade, and thus we should make it possible to shut down these segregated settlements. We need to put an end to extreme poverty, otherwise the economic crisis could have dangerous social consequences.

Bruno Le Maire, President-in-Office of the Council. – (FR) Mr President, Mrs Wallström, ladies and gentlemen, it is a great honour for me to be speaking to the European Parliament for the first time. You know that I come from the French national parliament, the temple of French democracy, and so it is a great honour to be speaking to the temple of European democracy.

As you said, Mr President, it is late, and so I will restrict myself to four points on the four main types of observations that have been made, regarding the economy, the climate package, political issues and, finally, the Treaty.

On the economy, I believe that the European Union has shown that it was able to assume its responsibilities and, faced with a significant economic crisis affecting all our citizens, to implement a recovery plan that protects employees, protects our industry and enables us to tackle the crisis.

(DE) I would like to address a few words to Mrs Koch-Mehrin: we must support European industry, and we must also show solidarity between European states. That is very important.

(FR) On the financial crisis, Mr Goebbels put it very well when he said we need better economic coordination, but also more secure rules on banking regulation. I believe that next year we will have to make progress in that direction.

Some criticisms have been made, by Mrs Berès in particular, and also, just now, by Mr Schulz. 'Was it too late?' is the question.

For my part, I believe that what is most important is that we have succeeded in giving a response. In 2007 few observers saw that the crisis was on its way. Perhaps it would have been better to have acted sooner. The key point, though, Mrs Berès, is that we have acted.

On the strictly financial response raised by Mr Titley and Mr Duff, I am in full agreement with them.

The financial crisis is not behind us and we must keep in mind that nothing will be solved until everything has been solved.

(FR) I think we need to remain very cautious for the next year; we should retain the initiative and impose the necessary financial rules.

On the climate package, I will move on rapidly, because the French Minister of State, Jean-Louis Borloo, who has done exceptional work with his Secretary of State, Nathalie Kosciusko-Morizet, will tell you more this afternoon, but I would like to thank Mrs Sudre, Mr Krasts, Mr Langen, Mr Szejna and Mrs Doyle, who have contributed a great deal to the work on this climate plan. I would like to thank them for the positive feedback they have given on the plan.

I think this climate plan is the most important one since Kyoto and, above all, will ensure that the European continent sets a shining example prior to the Copenhagen Conference.

On the political issues, especially the issue of Russia and Georgia, it is true that all has not been resolved. However, I think that it is asking a lot to expect the European Union to resolve everything in what is one of the world's most complex regions, the Caucasus. The essential issue has been resolved. Peace is the essential issue. It is the essential issue for this region and it is essential for the European Union, since the European Union's very *raison d'être* is peace.

I must say, also, that as a European citizen I am especially proud that the President of the Republic, the French Presidency, is taking the initiative, with all European countries, to bring about peace where there could have been war. Also, to echo what Mr Cavada and Mrs Andrikiénė said, this seems very important to me, as it seems important to me that the European stabilisation force now in Georgia should play its role fully and not allow its responsibilities to be encroached upon.

This leads me to a second point, which was raised previously, in particular by Mr Saryusz-Wolski, and that is the issue of European defence. I believe we have achieved good results in terms of European defence, and for two reasons. Firstly, these are concrete results. They are not just results on paper, but soldiers on the ground, actually there guaranteeing the stabilisation of the area.

These are also good results because they were obtained in close coordination with NATO. We must stop setting European defence against NATO. The two are complementary: we need independent European defence, just as we need NATO to play its role fully.

On the issue of Turkey, raised by Mr Swoboda, the process is taking its natural course in accordance with what is laid down under European rules. We will have a General Affairs Council on Friday on this matter and will examine the relevant chapters. I believe that all this is taking its course in accordance with what has been adopted by all European countries.

The Middle East question has been raised by several speakers, especially Mrs Hybášková and Mrs De Keyser. This is a major conflict. It is probably the root of all the violence in the Middle East, and the European Union

has a responsibility to exercise since it is the prime donor, the prime supplier of aid to the Palestinian territories and, as a consequence, it must accept its responsibilities.

I believe that, in effect, if we can move forward in this direction with all the European countries, we will be meeting all the expectations that the Middle East, Israel and the Palestinian territories can have of us, and, if we can bring about peace and stability where there is violence, Europe will have played its part.

On the question of the Treaty, to conclude on this issue, Mrs Sinnott put it very well: we need Ireland in Europe. We also need to respect the democratic choice made by the Irish people and to provide another opportunity for democratic expression. There is no other way to adopt the Treaty. Mr Brok said that we need the Treaty of Lisbon.

‘We need the Treaty of Lisbon. There is no doubt about that.’

I am firmly convinced of that.

We also need to progress very methodically, very openly and with a lot of dialogue, to enable the Irish people to come to a decision. This seems totally indispensable to me. Mr Corbett and Mr Burke, you have expressed some doubts on the subject, which is normal. A referendum is always a gamble.

And you are right: we should not underestimate the political difficulties. On the other hand, however, we should not underestimate our willingness to help the Irish people, because, in the end, the choice will remain in the hands of the Irish people.

(FR) Regarding the number of Commissioners, a subject which has been mentioned by Mr Leinen, among others, we will see each other later this afternoon to discuss this again. I do not think that this is the most important issue.

The most important issue is twofold. First of all, it is that each nation should feel that it is correctly represented in this Commission and, if we need to change in order to achieve this, let us change. I think that the decision that has been taken is the right one.

The second thing that is important is obviously, as the President of the Republic has said several times, that the Commission should be led with the necessary firmness, and that there should be a strong President, because this is also something that will guarantee the legitimacy of the Commission.

‘That is what we have to do now.’

I think that it was Mr Burke who said that earlier. Well, we need to move in that direction.

That was all I wished to say in response to the speeches that have been made. I would also like to take this opportunity to tell you that it is a great honour for me to have this responsibility, which has been entrusted to me by the President of the Republic. I would like to say that I am at your disposal morning, noon and night to work hand in hand with the European Parliament, which now has an essential place, not only in our institutions, but also in the hearts of our fellow citizens. The European democracy will be built with you.

(Applause)

Margot Wallström, Vice-President of the Commission. – Mr President, I should like to say thank you for this very interesting debate – at least most of the time I found it very interesting – and I think we have heard the most relevant arguments being presented. I will restrict myself to just making a few telegraphic comments and I will mention a few things that I did not hear in the debate.

Firstly, I would like to say that, no, the Commission is not a secretariat for the Council. I deny that is the case. Do not confuse the fact that we have been working very closely with the French presidency – we have had good cooperation with the French presidency – with our being a secretariat. By presenting the energy package, the climate package, the economic recovery plan, being ambitious and taking the initiative, we have proven that we are not a secretariat but a Commission with the right of initiative, and we will continue to act in that way.

Concerning the Lisbon Treaty: I can add to the arguments being presented here that I think that the Council – with the Commission, of course – has been presented with a long list of the problematic issues of concern to the Irish people so the concerns of the Irish people can be respected. We have been able to study that in detail. Together we have looked at solutions, and the Council, as you know, has now agreed to take a decision on the number of Commissioners. I have always advocated having one Commissioner per Member State,

even though I have been loyal to the position of the Commission. To put it simply, I think that what you might lose in efficiency – and I am not so sure that you would lose something in efficiency, for instance I think the French Government has about 33 members – you win in legitimacy. We need legitimacy more than ever and it is very important that we keep a Commissioner per Member State. I welcome this decision. But we have also gone through the rest of the list of concerns and there are ways to address these.

What we will contribute is to make sure that as soon as possible we can sign a memorandum of understanding with the Irish Government on how to provide better information. That includes making sure that young people and women in Ireland are able to form their own opinions and that they can say that they have at least had a chance to get all the information necessary. That is what we will contribute in the near future.

I did not hear any arguments about an energy package also offering a number of opportunities for Europe. I think that investing in more energy-efficient industries or an electricity grid offers us fantastic opportunities, not only to create jobs and bridge the recession but also for sustainable development. I think that this cannot be repeated enough. We should be the ones to point to the European value added of acting together now.

Some of you mentioned poor countries and the developing world, because we must not forget that they are the first victims and are the ones most affected by this. We must not give up on our target to implement the Millennium Development Goals and we must not lose sight of the rest of the world when we are busy trying to fight recession and the problems arising from the economic crisis.

Let me add that a little piece of history has been written during the French presidency. With Vice-President Vidal-Quadras and Mr Jouyet, we were able to sign a partnership on communication, an agreement to communicate in partnership with the Member States, the European Parliament and the Commission. This will be a valuable tool and we have to use it first and foremost to make sure we mobilise the voters now that the European elections are coming up. I must say how much I have appreciated working with both Mr Vidal-Quadras and Mr Jouyet, and I am sure that we will also achieve good cooperation for the future.

I think all the praise lavished on the French presidency is because we appreciate true leadership, engaged leadership, when we see it. Even though we do not belong to the same political family, we prefer people who are clear about their values, who are willing to put a lot of energy and their own ideas into the debate about Europe, and we see somebody defending Europe in all of this. This is what we appreciate and value.

Finally, let me wish you all a merry Christmas and a happy New Year.

President. – The debate is closed.

Written statements (Rule 142)

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I should firstly like to express how proud I am to be French at the end of the French Presidency of the European Union exercised by France in the person of its President, Nicolas Sarkozy. Whether it be Euro-Mediterranean relations, the war in the Caucasus, efforts to tackle global financial and economic crises or major issues such as regulations (energy/climate package) aimed at having a non-carbon economy for the 21st century, immigration, agriculture, and so on, all of this demonstrates the quality of the French Presidency of the Union and its administration, and the remarkable action of the ministers that have chaired the Council, in particular Jean-Pierre Jouyet. This Presidency is demonstrating, if ever that were needed, how much we need a stable Presidency of the European Union in the light of the global challenges of today, and therefore how much we need the Treaty of Lisbon to be ratified, and I welcome the wisdom of the Heads of State or Government that have reached a good compromise with our Irish friends. I sincerely hope that the Czech Presidency will be equal to Europe's challenges and will show its commitment to the Union by starting with fully ratifying the Lisbon Treaty in the Czech Republic.

Sebastian Valentin Bodu (PPE-DE), in writing. – (RO) The current economic crisis requires extraordinary measures at a time when an ever-increasing number of Europeans are facing the spectre of unemployment and financial recession. Raising the bank deposit guarantee ceiling for the general population is a welcome measure, which will maintain confidence in the banking system. An initial ceiling of EUR 50 000 and a further one of EUR 100 000 are more than adequate for the states whose banking systems have no long-established tradition, as is the case with Romania and other former Communist states. At the moment, it is important that each state adopts this measure, as otherwise there is the risk of causing panic among the population. Romania is not one of the states with a large number of deposits in excess of EUR 50 000. However, in psychological terms, raising the amount guaranteed can only have a positive impact, given that the population's deposits have fallen, compared to September, by 6% in Bucharest alone. This means that

around EUR 600 million have been withdrawn in the course of just a few weeks, which is unprecedented in recent years.

On the other hand, as an MEP, I would like to draw your attention to the fact that this measure needs to be supplemented by a review of the policies for granting credit and of the level of risk being assumed.

Dragoş Florin David (PPE-DE), in writing. – (RO) I must first of all congratulate the French Presidency for the way in which it has managed this entire difficult period which the European Union has gone through. The model which you are leaving behind will become a benchmark for the European Union presidencies to come, based on rapid response, flexibility and adaptability to difficult internal and external situations. Dealing with the internal problems relating to the dynamics of European integration, the EU's sustainable economic and social development and the external policy founded on the European Union's cornerstone of promoting peace is instrumental to Europe's future. At the same time, it is in keeping with the fundamental principles of European integration.

Secondly, I would like to stress the importance of the three Cs: communication, cooperation and compromise, which are instrumental elements in European policy. They have all been used to maximum effect during the French Presidency, bearing in mind the difficult period we have been faced with, in terms of relations with the EU's most democratic institutions: the European Parliament and national parliaments.

Genowefa Grabowska (PSE), in writing. – (PL) Mr President, Mr President-in-Office of the Council, ladies and gentlemen, I should like to thank the President for a successful French Presidency. I refer to its success in the international arena, having in mind the crisis in Georgia, and to its success concerning issues of importance to the ordinary citizen. On a personal level, I am delighted that the French Presidency finalised the work on the regulation concerning cross-border maintenance payments in the European Union. I myself have worked long and hard on this regulation. I am therefore delighted that, pursuant to Council approval, we will at last be able to ensure proper financial support for those children who seem to have been simply forgotten by one of their parents, when that parent is resident abroad.

On the other hand, as a member of the Committee on Constitutional Affairs, I am concerned about the concessions and institutional promises made to Ireland, which represent a return to the principle of one Commissioner per country. It is anticipated that the European Union will enlarge further to include 30 or more Member States. An equally large number of Commissioners would result in further bureaucratisation of the work of the European Commission. The competences of the Commissioners appointed would be subdivided. The Commission itself would become more expensive, less effective and more difficult to manage. I also hope that the debate preceding a further referendum in Ireland will be conducted in the spirit of European solidarity, taking account of the substantive content of the Treaty of Lisbon, clearly explained, with institutional changes included. These matters are important both for the citizens of Ireland and also for the functioning of the entire European Union.

Pedro Guerreiro (GUE/NGL), in writing. – (PT) The European Council's decisions – if you ignore all the rhetoric and demagoguery that always accompanies them – lay bare the real objectives and policies of the EU.

Having prevented everyone else from expressing their view in a referendum, they are now imposing a new referendum on those people who sovereignly and democratically rejected this proposed Treaty.

What is more, the Irish people will be confronted with a referendum on the same Treaty (content), accompanied for the time being by a 'political commitment' to be legally fulfilled on the future accession of Croatia in 2010 or 2011.

In this way they are trying to impose a qualitative leap in the neoliberalism, federalism and militarism that this proposed Treaty represents, in the interests of big business and the major powers.

The same European Council is also heading towards a new stage in the militarisation of the EU and international relations, by preparing for the next NATO Summit (in April 2009) and consolidating the EU as its European pillar.

As we have previously stressed, such decisions clearly indicate the antidemocratic nature of the EU, which is inseparable from the position it assumes as an imperialist bloc.

As regards the 'plan to relaunch the European economy', this involves exactly the same policy, as the priority will be to respond to the interests of the major powers and financial capital.

Anneli Jäätteenmäki (ALDE), *in writing*. – (FI) I am pleased that the Heads of State or Government found a sensible and in fact the only proper solution to the issue of Commissioners. My Commissioner is a contact channel to the Commission, which is especially important for the smaller Member States.

At least 60 million people live in France, and the French Government has 38 ministers. Almost 500 million live in the EU. How is it possible that the Commission does not have room for a Commissioner for each country, even though there might be more Member States to come?

Thank you!

Livia Járóka (PPE-DE), *in writing*. – (HU) In December 2007, the European Council called upon the European Commission to assess the tools available for the social integration of Roma. Contrary to expectations, the published working document confined itself to assessing existing Community policies. In September, the first European Roma Summit took place and it failed to draw up any concrete recommendation or timetable. On 8 December, the General Affairs Council called upon the Commission to submit a report by the beginning of 2010 on the progress made.

Shaping a progressive Community strategy ought to be based on the widest possible forum, on initiatives addressing both Roma and non-Roma civil society, on scientific knowledge, and on the collaboration of representatives of the churches and of economic life. We need much more than the introduction of best practices, which have been assessed far too positively. What is needed is a global strategy which deals simultaneously with all aspects affecting Roma, and which gives a clear picture of the way in which Community initiatives are realised on the ground, how they succeed in stimulating and supporting the local policies that are most important for social inclusion. We must provide Member States with a road map that is based on enforceable legal foundations, and that can guarantee the fulfilment of clear and measurable objectives by means of sanctions, if necessary. The strategy must, moreover, touch upon questions closely related to the social inclusion of Roma, such as environmental protection, healthcare, multiple forms of discrimination, or anti-Roma attitudes expressed in the media and other areas of society.

Thomas Mann (PPE-DE), *in writing*. – (DE) Mr President, 'Europe acted as one'. That was the main message of President Sarkozy's review of the French Presidency that we have just heard. He undoubtedly set the tempo of dynamism that has clearly contributed to the success of these six months.

I welcome the fact that, as President-in-Office of the Council, he met the Dalai Lama at the gathering of Nobel Peace Prize winners in Gdańsk in Poland. We in the European Parliament had the honour of hosting His Holiness the Dalai Lama two weeks ago in Brussels, where he gave a speech to the plenary. Through a fast to which over 500 people signed up, and with Tibetan shawls, we demonstrated our solidarity with the Dalai Lama and the Tibetan people. We supported his middle way, his willingness to enter into dialogue and his unwavering commitment to non-violence. He has always spoken out in favour of Tibetan autonomy rather than putting the case for separatism, as the Chinese allege.

Recent months have shown that the Council, the Commission and Parliament all agree that this is the only way. What I would like to know is, what will Europe do now in the light of Beijing's cancellation of the official EU-China talks? How can the Council finally succeed in involving China in making human rights a reality? The government in Beijing is, in reality, attempting to dismiss human rights as 'Western values' rather than integrating them into its policies.

Zdzisław Zbigniew Podkański (UEN), *in writing*. – (PL) Speakers in today's debate assessing the French Presidency fall into three groups. The first has nothing but uncritical praise for the Presidency. The second is critical whilst the third is silent. In fact, regardless of which of these groups we find ourselves in today, we will all be held accountable for the future fate of the nations of Europe.

We are therefore also accountable for the French Presidency. Despite intense activity and widespread publicity it has actually failed to produce any positive results. Worse still, President Sarkozy rode roughshod over the spirit of democracy he claims to advocate. He has done so by exerting pressure on the Irish authorities and the leaders of other sovereign states and nations, insisting on recognition of the Treaty of Lisbon that was rejected by the people of Ireland.

The European Union's democratic deficit has an obvious negative impact on the climate package. The latter sidelines developing economies, including Poland's, in the interests of saving the economies of the old Member States that find themselves under threat in the present crisis. President Sarkozy has cynically failed to mention that human beings are responsible for a small percentage of CO₂ emissions, and Europe itself for

between 10% and 20%. Nothing will therefore be achieved, unless other countries and continents are involved, including China and India, as has already become evident. All there will be is one more tax to pay. For the new Member States, including Poland, it will amount to a penalty for joining the Union.

In conclusion, I should like to point out that democracy is about making an informed choice. Imposing damaging solutions on a free country is akin to totalitarianism, which does not take us anywhere.

Nicolae Vlad Popa (PPE-DE), in writing. – (RO) In our assessment of the French Presidency's mandate, we can confirm without any hesitation that it has been a great success. Its action programme has successfully combined political determination, pragmatism and tactful diplomacy, which are absolutely essential to be able to overcome the crises which have occurred.

Its directives for action have been highly ambitious, enabling us to adopt some important decisions at EU level: the European agreement on migration and asylum arrangements, the agreement on the energy and climate change package, the Union for the Mediterranean and a new agreement on the common agricultural policy. There were three unforeseen events which featured prominently on the agenda, but which demonstrated the effectiveness of the task force which can be mobilised on the EU's behalf: the rejection of the Lisbon Treaty by the citizens of Ireland, the conflict in Georgia (8 August) and the collapse of Lehman Brothers Bank, which marked the start of the current financial and economic slump (15 September).

I congratulate the French Presidency for this successful mandate. It has successfully handled the consequences of the Irish 'no' vote (at the European Council meeting on 11-12 December, Ireland undertook to submit the Lisbon Treaty for ratification once again before the end of 2009) and it conducted a mediation mission between Moscow and Tbilisi, which was a diplomatic success, but focused attention again on the need for an effective, coherent Common Foreign and Security Policy at EU level. Last but not least, it has successfully obtained the Member States' agreement on a series of very important Community projects, such as those in the areas of environmental protection and immigration.

Czesław Adam Siekierski (PPE-DE). – (PL) As regards the economy, the main challenges faced by the European Union during the French Presidency were actions linked to the climate and energy package and the financial crisis.

Following its significant enlargement, Europe has become more varied, encompassing many different areas each with their own specific characteristics. The differences concern more than the level of economic development of the Member States. That is why it is so difficult to find single instruments with which to solve the diverse problems facing the individual economies of the Member States.

Actions to combat the crisis must therefore involve a package of varied instruments for use during the crisis. I refer for instance to reducing the VAT rate or lifting some of the conditions of the Stability and Growth Pact.

The climate and energy package should be adjusted to the condition and specific characteristics of the individual economies and their sectors. I do not believe that the range of actions in the framework of the package is appropriate for the current situation.

The concessions and benefits obtained by individual states will not succeed in evening out their changes in development, because the starting points differ so widely. I therefore advocate a systematic review of this package and an analysis of its state and progress. This should serve as a basis for the introduction of essential amendments.

Silvia-Adriana Țicău (PSE), in writing. – (RO) I would like to congratulate the French Presidency for the work it has done, enabling us to reach an acceptable compromise on the energy and climate change package. Adopting this package makes the European Union number one in the fight against climate change, based on the example it has shown and the commitment it has made. In Copenhagen the European Union will have arguments which it can use to negotiate with the other states from around the world so that we can contribute at a global level, through our joint effort, to reducing greenhouse gas emissions.

I also congratulate the French Presidency for its involvement in adopting the Third Maritime Safety Package 'Erika III' through conciliation. Based on the lessons learned from maritime accidents in recent years, the EU has tightened the regulations on maritime transport safety and drawn up specific measures and clear solutions for dealing with maritime accidents. Progress has also been made, albeit insufficient, in the areas of sustainable transport, the Single European Sky and road safety. I would have liked us during the French Presidency to have made progress on the road package, energy package and telecoms package as well.

In addition, the full debates held in Parliament and the Council on the impact of the rise in energy and food prices showed Europe's citizens that the social agenda is one of the European Union's top priorities.

Andrzej Tomasz Zapalowski (UEN), in writing. – (PL) Mr President, as we review the achievements of the French Presidency, I should like to draw attention to several issues that impact on the overall assessment of this period. It is true that, in August, President Sarkozy's intervention concerning the situation in Georgia resulted in a cessation of military action. In fact, however, the cessation of military action owed more to Russia's economic interests and its relationship with France than to a genuine desire to solve the problems that had led to the war.

The next issue I wish to mention relates to the future development and management of the European Union. It concerns the approach to ratification of the Treaty of Lisbon. In the case of Ireland, successive referendums are to be organised until a result serving the interests of the largest Member States of the Union is obtained. This demonstrates that the interests of Germany, France and several other countries can override accepted principles and democratic debate. Furthermore, the fact that the Irish public is being bought over through opt-outs from the Treaty demonstrates that every country can be treated differently in the European Union and bought over. This decision confirms how bending the law has become an increasingly common practice in Community institutions.

I would remind the House that it was under this Presidency that the decision for the European Union to do away with certain Polish shipyards was taken. This decision was taken at the same time as industry and banks are being renationalised elsewhere in the Community, as is the case in your country, Sir. Under your direction too, the Presidency failed to agree to increase agricultural subsidies up to an equal level. The French Presidency kept them at a level that is very detrimental to the new Member States.

Mr President, you focused on pursuing the interests of France, rather than those of all the Member States of the European Union.

(The sitting was suspended at 2.10 p.m. and resumed at 3.05 p.m.)

IN THE CHAIR: MR PÖTTERING

President

7. Erasmus Mundus Programme (2009-2013) (signature)

President. – We are now going to sign, along with the Council, the legal acts relating to the Erasmus Mundus action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through cooperation with third countries.

Secretary of State for European Affairs, Minister Le Maire, Commissioner Figel' – the authentic father of the entire Erasmus programme – ladies and gentlemen, it is a great pleasure to be signing an important decision, which makes it possible to extend the Erasmus Mundus programme, with the Council today. This is the culmination of the determined work that we have done in collaboration with the Council and the Commission. I would like to express my thanks, once again, to Commissioner Figel', specifically, for having pushed this programme forwards, making it possible for us, ultimately, to be able to set the seal on the programme together, the Council and Parliament, by signing today.

This public signing will help to bring home the significance of European legal provisions to European citizens. The Erasmus Mundus programme will expand the Commission's original Erasmus programme, which was established 21 years ago. The programme gives students all around the world the chance to study in the European Union and plays an important role in the promotion of European higher education as a symbol of top academic performance.

With increased funding – nearly EUR 950 million for five years – the European Union is now in a position to meet the growing demand for the Erasmus Mundus programme. This makes it possible for us to continue supporting joint programmes in Europe with grants for the most gifted students and professors from third countries. In addition, we will be extending the scope of the programme so as also to include doctoral programmes, and we will be able to offer European students even more financial support.

Thanks to this programme, participants, and above all students, will become real ambassadors of openness and intercultural dialogue. They will help to bring about better collaboration and mutual understanding across the globe.

Allow me, in closing, to express my thanks to the French Presidency, the Commission and all the members of the Committee on Culture and Education – I am pleased to see that Mrs Batzeli, the chairman of that committee, is here today – as well as to the rapporteur, Mrs De Sarnez, all of whom worked intensively on this important legislative measure.

I will now ask Minister Le Maire to sign the document with me, and Commissioner Figel' to supervise, as it were.

(The Presidents signed the legal acts).

(Applause)

IN THE CHAIR: MRS KRATSA-TSAGAROPOULOU

Vice-President

8. Approval of the minutes of the previous sitting : see Minutes

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Nigel Farage (IND/DEM). - Madam President, concerning personal statements, in the debate we had this morning with Mr Sarkozy, I made a number of comments about the European Union's attitude towards democracy. In particular, I talked about the leader of the Socialist Group, Martin Schulz, having made some disparaging and derogatory comments in the debate in June of this year. He was allowed by the President, Mr Pötering, to get up and to say that my comments had been untrue and that he had never in any way suggested that the 'no' side could be linked in the future with fascism. I would like, please, to set the record straight.

On 18 June, in this place, when talking about the 'no' vote in Ireland, this is exactly what Martin Schulz said. He said, 'The passion has migrated to the other side, the side which speaks ill of Europe, on the right wing of the political spectrum. It lies with those who speak ill of Europe, and who do so simply because they are afraid. In Europe, however, this mixture of social decline and fear has always opened the door to fascism.'

Mr Schulz may not like what I have to say. He may profoundly disagree with what I say. However, I would say to you, Mr Schulz, when I get up in this place, I always research very thoroughly what I say. I never stand up here and tell lies. What I said, I believed to be entirely true. I am not asking for an apology or anything of that kind. I do this to put the matter straight, and I regret that our President, Mr Pötering, chose to use Rule 145 to allow Martin Schulz to take the floor this morning but not to allow me to take the floor this morning, which in fact was the very point of the speech I made this morning. It is not a level playing field in the European Union. It is as though you are the good guys if you are pro-Treaty and you are the bad guys if you are opposed to the Treaty. That, to me, is not very democratic.

President. – Mr Farage, your comments will be entered on the record.

Martin Schulz (PSE). – (DE) Madam President, Mr Farage claimed this morning that I had said, in this House, that 'a "no" vote will lead to fascism'. 'In previous times Martin Schulz has stood up and said that a "no" vote will lead to fascism'. I have never said that – never! – and I would like to clarify this point once and for all now.

I do not believe that a 'no' vote by any given population – like the Irish population, for example – leads to fascism. That is not my belief. That is now clear once and for all. I do, however, very much believe that we must all be aware that playing with the feelings of people who are plagued by the fears of losing social status is always dangerous if it gets into the hands of incendiaries. I do not know whether any of you can be counted amongst the ranks of the incendiaries. I hope not. I am very well aware, however, that such incendiaries do exist.

There is one thing that you can be sure of, Mr Farage, and that is that I will fight against people like you, and your politics, for as long as I am physically able to do so!

President. – Both sides have given an explanation and we shall now move on to the next item.

9. Energy and climate change (introduction)

President. – The next item is the Council and Commission statements on climate change and energy.

Jean-Louis Borloo, *President-in-Office of the Council.* – (FR) Madam President, Commissioner, Group Chairmen, chairmen, rapporteurs, ladies and gentlemen.

I am back with you a few weeks – a very few weeks – after our last debate, and in particular following an important moment, when a confidence pact was made between Parliament and the Council, under the watchful eye of the Commission, in order to seek, unanimously, as President Sarkozy was saying this morning, a series of mechanisms that will commit the economies of the 27 countries to a sustainable economy, to reduce CO₂ emissions, to prepare for Copenhagen, and to improve and prepare the competitiveness of our economies for the coming century.

I am back with you following a European Council that reached a unanimous decision, and I feel that we have not betrayed this confidence pact sealed between us, thanks to the many and various dialogues, which were more or less unprecedented; I am thinking of last weekend's dialogue on a number of directives. I also feel that, compared with the situation when we met a month ago, the discrepancies are very easy to identify.

There is no discrepancy if Copenhagen is a success. There is added value if Copenhagen is not a success, in other words if only Europe is committed. The efforts demanded of industry include making the most environmentally effective technologies more competitive.

The second area of added value concerns solidarity and the third concerns energy. Energy and allocations to energy are one of the main principles of this package, along with renewable energy, cars, and so on.

On this subject, I think that in our hearts we can all accept having a transition period for the economies that have the most coal, given that we know how complicated transitions are from a social point of view. Having experienced them in a number of our countries – in Belgium, in the Nord-Pas-de Calais area in France – we know that they are complex. Nothing of the basics has changed. There is a transition period, and this transition period is funded by an increase in solidarity.

Really, the only true discussion last week in the Council did not at all concern what I am reading and hearing here, but essentially the fact that 2% of solidarity has been allocated strictly and directly to the countries that have most recently joined the Union, in other words those who are being asked to make the greatest energy transition. It was this part of the solidarity that stood out the most.

Regarding the rest, you are aware of the texts that have been submitted for some time, thanks to the work of the various committees and rapporteurs. Regarding the quality of fuels, the text is more ambitious than the Commission's text. Regarding renewable energy, it is generally in line with the Commission's text. Regarding sharing the effort, aside from a few details, it is identical. It is a little more restrictive in the long term concerning the CO₂ emissions from cars.

Basically, and finally, the general balance between the package, as it has been proposed, and the ambitions planned for the European Council in March, is perfectly respected. We are in a period of global talks. The European grouping, the European continent, or at least the Union, is the first global organisation to establish a system of clearly calculated objectives, methods of application and capacity to evaluate, year after year, sector after sector, directive after directive, the reality of the changes taking place in accordance with our directives, in other words under the supervision of the Commission on the one hand and the Court of Justice on the other hand.

I believe that we have a plan for profound change that can be evaluated, is binding and is in line with our objectives and our ambitions. I think that, thanks to the dialogues, the point that we reached last week in the Council is in line with Europe's ambitions. It will be up to Europe to lead the debate in Copenhagen, and to begin preparing now, under the authority of the Commission on the one hand, and the Czech Republic and Sweden on the other hand, along with the host country, Denmark, for this major conference, this great meeting of humanity.

This is what I wanted to say to you, ladies and gentlemen, as an introduction, adding that the work of Parliament has really been an absolutely critical asset, not, as I have heard it said, as the only means of exerting pressure on governments, but quite simply because of its general quality.

Finally, you will have observed that, for example regarding the carbon capture and storage that is so dear to Mr Davies, the Council shifted in the final hours in order to try to move as close as possible towards the wishes that had been expressed.

This is the work that has been done. There are the six texts that are put forward for debate. We are of course at your disposal should you require any further clarifications.

Stavros Dimas, *Member of the Commission*. – Madam President, today and tomorrow are one of those very rare occasions when politicians can write history. The energy and climate package that you are going to vote on tomorrow is a landmark package of legislation which is significant not only for the European Union, but for the international efforts to address climate change, and will have consequences within the European Union and internationally.

I would like to thank the French presidency for its dedication and the work it has done to reach a compromise, but mainly I would like to express my sincere thanks and appreciation to the European Parliament for the work it has done all this time, to all the political groups and to the rapporteurs. Everybody has contributed constructively in bringing the compromise to the level where a vote tomorrow will be promising.

I think that although a lot of concerns were expressed – there were a lot of proposals, and many of these were taken on board – and everybody is a little bit dissatisfied, this does not mean that the package is not equitable and is not ambitious. It is ambitious, equitable, fair, and it is going to deliver the environmental objective we have set by reducing by 20% the greenhouse emissions in the European Union by 2020. So the architecture of the package remains as it was in our proposal and the environmental integrity of the package has been fully preserved and also the fair distribution of the efforts amongst the various parties.

The package before you contains a set of measures which is the most ambitious in the world. Only recently some voices around the world have claimed they would imitate our package, and this is very encouraging.

The European Union is leading the world as regards climate change and, by adopting this package through your vote tomorrow, we shall confirm our international role in leading the world in addressing climate change, and at the same time we shall ensure that the benefits to our countries from the early move to a low-carbon economy will indeed come.

The European Union is the first region in the world that has reduced emissions. We are going to deliver on our Kyoto Protocol targets, both as the EU-15 and as the EU-27, we are going to achieve the 8% reduction target; indeed, due to the efforts of the new Member States, as the EU-27 we are even going to overshoot the 8% reduction target.

We are the only region in the world where there is an emissions trading system that works well and where we have put a price on carbon. The European Union is the region in the world investing most in the developing countries, in clean development projects, which are useful not only because we get credit for the investments made in those countries, but also because we reduce global greenhouse emissions and because we help in transferring technology in those developing countries, investing there and creating jobs.

The European Union is the region of the world that invests most heavily in research, and by our package and by the provision that Mr Borloo referred to previously of investing the proceeds from auctioning 300 million tonnes of carbon dioxide by 2015, which could be about EUR 9 billion, we are going to invest even more in research. The European Union is also the only region in the world that will have set a 20% unilateral target by adopting this package tomorrow, and our leaders have reconfirmed our 30% reduction, which is necessary in order to effectively fight climate change (according to the most recent scientific information, even this 30% will perhaps not be enough).

By adopting this package tomorrow we will have made not just a step forward, but a leap forward in fighting climate change and also setting the example for other countries, other regions of the world to follow us. Some have already done so. Yesterday, Australia announced a package to fight climate change. It is not as ambitious as ours but still very important. It has set a unilateral target, it is introducing a cap-and-trade system and it is very ambitious about the medium- and long-term targets. It has underlined its willingness to work together with us in reaching an international agreement in Copenhagen. Everybody now knows what

President-elect Obama has set as priorities – energy security, climate change – and he repeated this again yesterday.

The European Union is leading by producing various papers and studies, which will be very useful in our negotiations next year. It was apparent in Poznań last week that the countries of the world are determined to work hard next year in order to secure an ambitious international agreement in Copenhagen and the European Union will contribute to this objective by producing papers on how this agreement should be, what the basic elements should be, what the structure should be and also how we can finance this agreement.

When we were discussing this package, various concerns were expressed: concerns about carbon leakage, which is whether carbon-intensive industries, because of the emissions trading system and mainly because of the auctioning, will move to countries without carbon restraints and will continue emitting carbon dioxide in those countries which do not have any limitations (which will also be detrimental to the European Union because we shall lose jobs).

Concerns were expressed by some Member States which rely heavily on coal regarding auctioning in the power sector and some other countries expressed their concern regarding flexibility in the effort-sharing proposal. By the compromise reached all those concerns will be taken care of. For industry, long-term predictability has been assured and free allowances will be given and the competitiveness question will be taken care of. At the same time, it should be stressed that these industries will still make their fair contribution to reducing emissions in the European Union because they are not only subject to the cap in the emissions trading system, but also they have to comply with the benchmark of best available technologies. So, even these industries are going to make reductions.

Let me turn to auctioning in the energy sector, because I have heard a lot of complaints and dissatisfaction that we have allowed some Member States an opt-out regarding this sector. Firstly, it should be underlined that this is an option for the Member States because they were very concerned about the social impact of our proposal. We should listen to those concerns, and we did listen. However, in my opinion, when the time comes they will not use this opt-out for the simple reason – especially for those countries in which the energy sector is privately owned and prices are unregulated – that they will have the dilemma of whether to give the money to the finance ministry – to the state – to be used for good causes or to permit the private sector to make windfall profits, profits without any reason. This is something we shall see; it could become a political question in the future. So, I would say to those who object to our agreement on this particular point that they have the possibility in their own countries to persuade their governments not to exercise this option when the time comes. At the same time, if those Member States consider that it is important for social or other reasons to use this opt-out, they are able to do so.

Concerning flexibility on the CDMs and the effort-sharing there: firstly, there are many numbers floating around at the moment as to how much of the effort of reducing emissions will be done domestically and how much will be permitted to be done abroad. I should underline that all these comparisons refer to 2005. The actual reductions which should be carried out domestically are much larger, because they should be compared to 2020 and to the business as usual. The actual reductions will be much larger in the European Union. I have asked my services to provide me with an analysis and for the total effort-sharing and ETS the efforts within the European Union will be about 60%; 41% could be abroad, in developing countries.

Let us not forget that we need investment in developing countries. This is one of those issues that are being brought up all the time by our international partners and also here in the European Union by all those who are interested in transferring technology and making investments and reducing carbon dioxide emissions in developing countries.

Why is it bad? We must have a balance, because otherwise, if we make too much effort abroad and not domestically, it would mean that all the benefits for our business and industry in the European Union would be lost, because our package is not only about fighting climate change but also about creating a more efficient economy. We are going to provide the incentives to make our business and industry more resource- and energy-efficient, and an energy-efficient, resource-efficient business means an economically efficient business – a more competitive business – which, in turn, means innovation in the European Union. So we do need more effort in the European Union. This is something that we should try to do.

Again, for all those who are complaining about this point of compromise, there is a great possibility: go to your countries and ask the governments of Austria, Sweden, Denmark, Finland and the other countries – there are 12 of them listed – which have asked for this one additional per cent, and tell them not to use the CDMs that are permitted under this compromise. It is up to you. Do it there, not here. Here you should vote

for the package. The package comes together: it is not one proposal here and one proposal there; one affects the other. So, do not make the mistake. If you have objections, do it in your countries, do it in the countries that have this possibility to get the one per cent additional CDM.

I am not going to speak about the fourth concern, which was solidarity. Mr Borloo gave the answer and the solution reached by the French presidency was very wise.

I do not want to take up any more time, because I have already spoken too much. What is important now is to look forward. We should look to Copenhagen. We have a year of tough negotiations ahead of us. Let us work together again – the European Parliament, the Council and the Commission – in order to persuade our international partners to reach an agreement in Copenhagen. Thirty per cent is the minimum that we have to agree in Copenhagen in order to fight climate change effectively. We should start working now. At the same time, we have to continue to take care of our industries.

Coming back to the question of carbon liquids, this is not only a question of preserving our jobs, employment and competitiveness, but also an environmental question. I do not want to see companies reallocating and emitting in countries without carbon constraints. So it is an environmental, a social and an economic issue, and our compromise balances all those issues: the social issues, the economic issues and the environmental issues. I think that we should continue on this path. In implementing this package, we should also continue our cooperation, of course with the Council, of course with the European Parliament, but also let us bring the social partners into this discussion. We should work together because this is very important for Europe; it is very important for the world.

(Applause)

Andris Piebalgs, *Member of the Commission*. – Madam President, the proposals that we will be discussing today make a revolutionary change in the way we produce and consume energy. Fewer CO₂ emissions also mean more energy efficiency and more sustainable energy sources. Market-friendly ETS will be the main driving force of change in technology in the years to come. CO₂ targets in non-ETS sectors are in reality binding energy-efficiency targets in Member States. The Directive on CCS, actually on CO₂ geological storage, means that none of the energy sources will be discriminated against as long as they correspond to the interests of society.

Limits for CO₂ emissions from cars will actually limit our growing dependency on oil. Twenty per cent of renewable energy in 2020 in final energy consumption means that we will be able to say that we have new energy sources – not only in electricity, but also in heating and cooling and in transport. We should never forget the energy challenge that we face. The International Energy Agency has been saying for four years that we are on a potentially unsustainable path in the energy sector economically, globally, environmentally and socially. This stems from the risky supply/demand balance. On the price level, we should not be misled by the oil price that we have today, which is due to the economic downturn; we should always remember where the oil price was only a couple of months ago.

The most important thing to come out of the last report concerns the movement of wealth. If wealth leaves the European Union, so also do jobs. So it is very important to see that the global environment is so challenging in the energy sector that we must respond to it. For the EU this is a particular challenge because our import dependency, if no measures are taken, will grow from 50% to 70%. For oil and gas it will be close to 90% or even 100%. This means that we will face a challenge of security of supply and, very clearly, job losses. The proposed package means a profound change that will make our import dependency still reasonable, around 50% in 2030, and brings to the European Union competitive advanced technologies for the production or consumption of energy. It will also make it possible for us to help the sustainable development of the world. We cannot imagine, with the volatility of hydrocarbons that we have today, good and healthy development in today's poorest regions. This is the only change that is possible.

I believe that the measures to be taken are difficult. It is not simple to make a change in the energy sector, and it always takes many years. But we do not have any choice because we are strengthened, not only by the anticipation of the political leaders, but also by basing our proposal on scientific evidence and on the evidence of the global institutions that monitor our situation in global oil markets.

I would like to thank Parliament, the rapporteurs in particular, and the French presidency, which through very difficult negotiations did not diminish our ambition but improved our proposal so that it is more balanced and stronger. I believe that we can be proud of the results that we have achieved in the form of the dialogue. So again I would like to thank the rapporteurs, who really did a huge job in putting forward

Parliament's opinion and getting the agreement of the presidency, with the help of the Commission, on the most ambitious set of proposals, which will revolutionise the energy sector.

President. – Thank you, Commissioner.

10. Promotion of the use of energy from renewable sources (debate)

President. – The next item is the report (A6-0369/2008) by Claude Turmes, on behalf of the Committee on Industry, Research and Energy, on the proposal for a directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (COM(2008)0019 - C6-0046/2008 - 2008/0016(COD)).

Claude Turmes, rapporteur. – (DE) Madam President, the renewable energy directive is a milestone in European energy policy. Not only will this directive ensure more environmentally friendly electricity, heating and transport in Europe, but this will also be our own indigenous energy, with jobs and money remaining in Europe. We shall build a lead market and assume technological leadership as well as secure our export markets. Is there anything better to do in this time of crisis?

This success is a collective success: the collective success of those whom no one here sees – Lise, Aris, Hans, Paul, Michel, Fred – all the backroom staff. It is this Parliament's success. I should like once again to thank Fiona Hall, Britta Thomsen, Umberto Guidoni, Werner Langen and Anders Wijkman for the trust they placed in my conducting of the negotiations. I should also like to thank one man in particular, Jean-Louis Borloo. Without his personal contribution, that of his office and also of the French Presidency, we should not, for example, have captured Mr Berlusconi for a whole weekend a week ago and brought this directive to a conclusion. A collective success, therefore, and that is precisely what Europe can achieve!

I shall turn briefly to the contents. Firstly, the directive brings about security of investment, for we have binding targets of at least 20%. We have binding national targets, very detailed national action plans, and interim targets that will be strictly monitored by the Commission. That will put enough pressure on the 27 Member States to concentrate massively on wind, solar, water and biomass.

The 2014 review clause is vague. This review clause does not bring the targets into question and neither will it bring the cooperation mechanisms into question. The Italian renewable energy industry is thanking me today that through Europe we can now also make progress with renewable energy in a country like Italy.

These national targets – 34% for Austria, 17% for Italy, 23% for France – can also be met via the cooperation mechanisms. That was one of the points that we had to amend in the Commission's proposal. We want cooperation and not speculation on the renewable energy market. That is why we opposed the proposal for trading these guarantees of origin.

Infrastructure is also renewable. We took care that the electricity network should be open, gas pipelines should be open, that there should be massive investment in heating networks, and that buildings, for example the roofs of public buildings, should in future make use of renewable energy.

The point with which I as rapporteur am less satisfied is the section on renewable energy in the transport sector. Our planet has limits. We have limited oil resources, but we also have limited agricultural land. That is why we have put a stop to the myth of 'large luxury cars and four-by-fours with pseudogreen petrol'.

We shall also concentrate on electromobility, and we shall take a much closer look at biomass in terms of sustainability. Together with the environment and development movement, the Group of the Greens/European Free Alliance will from now on fight against the arrival on the market of insane agrofuels!

(Applause)

Jean-Louis Borloo, President-in-Office of the Council. – (FR) Madam President, ladies and gentlemen, I would like to echo the thanks offered by the rapporteur to various people, which is genuinely much more than simply a matter of courtesy, and say that the work done has frankly been excellent.

Of course there were points that were unsatisfactory at the start. They have been partly corrected, regarding the incorporation of fuels, to put it simply, and slightly amended concerning the allocation of land. Regarding the rest, the difference in the efforts required of different countries, which has not been a real subject of discussion – or I was going to say the subject of real objections – proves what European solidarity really is.

In terms of renewable energy, some need to do a great deal more, because they have the capacity. Others are making efforts in other areas of the transition. I think that this is a quite exceptional directive.

Andris Piebalgs, *Member of the Commission*. – Madam President, I would like to start by thanking the rapporteur, Mr Turmes, the shadow rapporteurs, and all those people who have been fighting for renewable energy. I still remember the debate on renewable energy, heating and cooling and all the issues we discussed. I think we have mastered the directive in front of us. The binding nature of the target will mean measures and support schemes for Member States using renewable energy will be predictable and long term. That will allow new technologies to penetrate the market and not be marginal. We are proposing a profound change.

It is true that different countries have different targets, but I would also mention one particular aspect that came up in the Council. With the exception of only one country, all countries understood that they could achieve this target, and for this they have two additional instruments. Firstly we should invest strongly in energy efficiency because it also helps achieve renewable targets. Secondly we should not forget any of the sectors, because we would like to address all sectors, not just electricity, but also heating and cooling and transport. For this reason I believe that, with the very good spirit coming from the Member States, we could look optimistically towards this target.

I believe that the flexibility mechanisms proposed are perhaps not the most ideal. But I agree with Parliament and the Council that we need to invest in a number of technologies at this stage. The worst thing that could happen is that we hamper development of some particular technology, for example, solar energy, that today is more costly compared with wind technology. I believe it is the right approach to guarantee support schemes but at the same time allow Member States to cooperate. I should mention one investment by a Czech company in wind energy in Romania. This is what we are looking for. We are looking for massive investments where it is cheaper, but it does not necessarily mean that any technology should be excluded.

I believe it is important that flanking measures are in place and there is access to dealing with the agreed administrative barriers, as well as some other measures absolutely needed to be successful in this area.

On transport I am more positive than the rapporteur because I believe it is very important that we address the sustainability criteria. We have sustainability criteria concerning greenhouse gases. Some would say they should be higher; I believe they are high and there is a strong motivation. Second, we have defined no-go areas; I think this is also a revolutionary change. Lastly, we also address issues involving direct and indirect land-use changes. We know that scientific evidence is not yet sufficient to take a very clear decision on it, but clearly it sets out a path towards achieving binding arrangements in these areas also. I believe even this part of the directive is a huge success because it is the first time ever that sustainability criteria are defined and in a form that will be implemented. I believe that the transport sector needs renewable energy sources, not only heating and cooling and electricity.

I am very proud of the work that our rapporteurs have done together with the Council and with the French presidency. I am convinced that we will have not only 20% of renewable energy in consumption in 2020, but much much more. So today we can be sure, and we will be quite happy in 2020.

Béla Glattfelder, *draftsman of the opinion of the Committee on International Trade*. – (HU) The Committee on International Trade was concerned primarily with the question of biofuels, since these are relevant to international trade. The Committee on International Trade considers that international trade in biofuels – which in this regard means basically imports from third countries – must not lead on a global level to environmental destruction or increased hunger. Therefore the Committee on International Trade recommends that Member States not be allowed to take into consideration, when fulfilling the objectives regarding biofuels, those imported biofuels which are linked – directly or indirectly – to deforestation, or which are imported from countries that receive international food aid or which impose export duties or other export restrictions on agricultural products. In my view, Europe is also capable of producing biofuels, and we will succeed in reducing our energy dependency only when we begin to use biofuels produced in Europe.

Mariela Velichkova Baeva, *draftsman of the opinion of the Committee on Economic and Monetary Affairs*. – (BG) I would like to congratulate the rapporteur for the excellent results. In order to achieve the aims of the renewable energy directive, we need to create a legislative framework for guaranteeing long-term investment decisions.

The foreseeable demand for energy from renewable sources and for biofuels will open up a number of opportunities including, for instance, guaranteeing risk capital for small and medium-sized enterprises for introducing new technologies on the market.

Financial institutions have a key role to play, even during the current difficult period, in structuring and trading instruments with the aim of financing projects promoting renewable energy, energy efficiency and other goals. This is achievable by setting up a regulatory framework with a long-term vision at Community and national level, focusing on the role of local and regional authorities in influencing policies promoting the use of energy from renewable sources.

Anders Wijkman, *rapporteur for the opinion of the Committee on the Environment, Public Health and Food Safety*. – Madam President, I agree that this Renewables Directive is the best part of the energy and climate package. I am particularly happy that they managed to vastly improve the sustainability criteria for biofuels. I think the rapporteur has done an excellent job.

We should congratulate ourselves on this directive because other parts of the package leave a lot to be desired. When full auctioning is postponed to 2027 – a generation from now – and more than 60% of emissions reductions can be made in third countries, where is the necessary push and where are the necessary incentives for the transformation of energy production, transportation, industrial production, etc.? This is serious for our long-term efforts to cut emissions but also for industry. We need innovation. If I were you, Commissioners, I would be a bit worried about the risk of a collapse of the ETS market as a combined effect of the low requirements for domestic action and the recession.

I think this Renewables Directive is an outstanding example. It will give the necessary incentives for technology development, it will create new jobs and it will reduce dependency on the outside world, all of which we desperately need to happen.

Inés Ayala Sender, *draftsman of the opinion of the Committee on Transport and Tourism*. – (ES) Madam President, I too applaud the conclusion of these negotiations on the renewable energy directive. Above all, from a transport viewpoint, we believe that a path has now been clearly marked out. Industry has been demanding this for the sake of legal certainty. We have also succeeded in introducing sufficient conditions and diversity into this path so that not only biofuels but also other factors, such as hydrogen or electricity from renewable sources, form part of the mix needed to meet both the 20% target and the 10% target within that 20%.

A basic point that I believe is extremely important is the introduction of sustainability criteria. These must, of course, include environmental criteria, such as land use and its repercussions in third countries, but I also think social criteria are crucial. I call on the Commission to be especially sensitive in this regard, since social criteria are precisely what the people are demanding of us in these times of recession and major uncertainty.

With regard to review clauses, I believe we can help to develop and improve this path through new legislative proposals, *inter alia*. The common format will also help the Member States in their national action plans to meet the objectives that we have set.

Finally, I would like to ask the Commission what plans it has for distribution infrastructure and logistics, and the ...

(The President cut off the speaker)

IN THE CHAIR: MR MARTÍNEZ MARTÍNEZ

Vice-President

Samuli Pohjamo, *draftsman of the opinion of the Committee on Regional Development*. – (FI) Mr President, I wish to thank the rapporteur for the huge job he has undertaken.

The sustainable and increased use of renewable energy sources is a positive solution for the regions. It will create new jobs, improve self-sufficiency in energy, and, at the same time, be an important contribution to the control of climate change. Moreover, it will promote the global market in machinery and equipment that are used in the production of renewable energy.

In its opinion, the Committee on Regional Development emphasised the crucial importance of the regions and of the local level focus in the implementation of the directive. Much cooperation is needed in this area. We also need the exchange of good experiences, and research, product development and pilot projects.

Conditions and climatic factors vary a good deal between the Member States and regions. This is also evident from the compromise proposal, which would enable our Committee, for example, to propose the sustainable but small-scale use of peat in production processes.

It is important that we can adopt the compromise reached on this directive as part of what is a historic climate and energy package.

Csaba Sándor Tabajdi, *draftsman of the opinion of the Committee on Agriculture and Rural Development*. – (HU) I would like first of all to congratulate the rapporteur, Mr Turmes, since this is a most important directive. The Committee on Agriculture and Rural Development is pleased that the European Commission has kept its word, for a year ago, when Parliament adopted my report on biogas, we agreed with Mrs Fischer-Boel that there would be no separate biomass directive, but that we would address the question of biomass in the context of renewable energy sources. I thank the European Commission for having honoured this decision. The Committee on Agriculture considers that biomass and biogas have a crucial role among renewable energy sources; however, in the case of biomass, it is unacceptable if it involves the destruction of forests or the removal of land that is suited for the production of food. Thus biofuel, the production of biomass, can under no circumstances be at the expense of food production. The American bioethanol programme is a negative example of the extent to which that programme, based on maize, has had the effect of raising prices. Thank you for your attention.

Werner Langen, *on behalf of the PPE-DE Group*. – (DE) Mr President, I should first of all like to say that the Group of the European People's Party (Christian Democrats) and European Democrats agrees with this negotiated compromise. The negotiations have been hard, and Claude Turmes has devoted a lot of work to them. In the Committee on Industry, Research and Energy, we had 1 500 amendments to deal with from the opinions, and the wealth of ideas was so great that new proposals were constantly being presented. Between us, we have nevertheless brought it to a successful conclusion, and I should particularly like to thank the chief negotiator, the French Permanent Representative, Mr Léglise-Costa, who retained the necessary calm and control throughout these extremely difficult negotiations, of which there were at least ten rounds. Claude Turmes has finally agreed a compromise that we can fully support, since it opens up all opportunities for the purposeful use of renewable energy sources.

Commissioner Dimas has said: 'Yes, agree to the whole package, even if in one place or another there is something that you do not like'. The proposal that came from the house of Piebalgs was genuinely useful. In this respect, we have been able to negotiate on a firm foundation, and have not had to amend that much, in contrast to some other issues that we still have to debate. On this basis, we can make progress together on renewable energy, make Member States discharge their duty to develop modern technologies, and thus reach our common target of at least 20% renewables by 2020.

Unfortunately, there is one point in the overall compromise that I find less than optimal, and that is the Commission's proposal to introduce flexible mechanisms. Here, Parliament and the Council have come to a stop. From my point of view, it would have been better if we had provided new opportunities in the Member States. However, despite this reservation on this single point, my group is in complete agreement with this package. Thank you very much to Claude Turmes, the French Presidency and the Commission.

Britta Thomsen, *on behalf of the PSE Group*. – (DA) Thank you, Mr President. Twenty-two months ago there were not many people who believed that the EU would commit to 20% of its energy consumption in 2020 coming from renewable energy sources. It is nothing less than the world's most significant energy legislation that we are to adopt here in the European Parliament tomorrow. With this, we can finally see the end of several hundred years of dependence on oil and gas, a dependence that has damaged our climate and caused war, unrest and inequality throughout the world. The road to this point has also been bumpy and full of obstacles, but as we stand here today it is in recognition of the fact that we can no longer allow matters simply to take their course. We need to act, and with this directive on renewable energy we are taking the first step towards a cleaner and better world.

Our energy consumption is the cornerstone when we talk about doing something about climate change, because if we succeed in switching our energy consumption and cease using fossil fuels, we will also succeed in doing something about climate change. The agreement we have reached with the Council is a good result from the point of view of the Socialist Group in the European Parliament, because we have retained the principal binding targets, so irrespective of how many evasive strategies some of the countries have come up with, 20% of the EU's energy consumption in 2020 will come from green energy. We have secured binding targets for at least 10% of the energy consumption in the transport sector to come from renewable energy sources and we have also ensured that biofuels will be produced in a responsible and sustainable manner, and we in the Socialist Group have also stressed the need for social sustainability. We are also pleased that second generation biofuels have a double rating in the accounts, so that there is an incentive to develop new energy technologies. Finally, we have secured the basis for an industry with two million new jobs in Europe

and research into green energy technologies, so I feel justifiably proud today. Proud that the European Parliament has shown that it is capable of taking action, and pleased that the Socialist Group has had a decisive influence, so that tomorrow we can give our support to this legislation. I would like to say thank you very much to all of my colleagues for their exceptional cooperation on this issue.

Fiona Hall, *on behalf of the ALDE Group*. – Mr President, I am disappointed that there has been a loosening of emission-reduction requirements in part of the climate package. The EU needs to set its course firmly towards a low-carbon future; otherwise it will be overtaken by other countries that are now keen to make up for lost time. I think we may come to regret this missed opportunity to get our own house in order ahead of the rest of the world.

But on the Renewable Energy Directive, Parliament has succeeded in persuading Member States to embrace the need for radical change in the way we source our energy. I want to thank Claude Turmes: his determination made this successful outcome possible.

For the renewable energy industry, the directive offers legal certainty and the sweeping away of barriers to progress such as connection to the grid. On renewables in transport, industry has been set stringent criteria for biofuels, which I welcome. I am relieved that the final text protects land with high biodiversity and high carbon stock and that the requirement on greenhouse gas savings has been increased from the Commission's original proposal of 35% up to 60% for new installations from 2017. Crucially, the effects of indirect land-use change will now be factored into the calculation on greenhouse gas savings, and biofuels with no risk of side effects will receive a bonus. Food price effects will be monitored and tackled through regular reporting and the 2014 review.

If Parliament had had its way, certain actions would have been stronger and more immediate. Nevertheless, this is a final text which deserves the support of this House.

Ryszard Czarnecki, *on behalf of the UEN Group*. – (PL) Mr President, I should like to thank the rapporteur for his report. I would remind the House that, prior to the Council meeting, a compromise was reached on three of the six reports in the energy and climate package. The compromise was not a sound one. At the time, one could say that, as a common position on half of the directives had been agreed, Europe's energy and industry glass was half full. Nonetheless, a sceptic would be bound to point out that the aforementioned glass remained half empty. After the summit, however, the Union's glass is now full to the brim.

The compromise is not an easy one. It obliges the Member States, new ones included, to make a huge economic effort regardless of the circumstances. Standards in the compromise version have been ratcheted up, and a high level set for our region. We should bear in mind that all these figures and indicators that it is so easy to commit to paper will determine the actual tangible funds generated by our taxes. They will also determine the fate of real jobs that are under threat.

Umberto Guidoni, *on behalf of the GUE/NGL Group*. – (IT) Mr President, ladies and gentlemen, we stand before an important compromise for Europe, even if the European Parliament has had a bitter pill to swallow.

In particular, the text on renewables that came out of the trilogue contains a clear definition of its objectives and, above all, states that they are mandatory. The 2014 review clause is to be seen as the key to greater flexibility in meeting the reduction target, which remains at 20%, and, if conditions are right, to push it to 30% by 2020. It should be noted that the most powerful and economically advantageous way of introducing flexibility for Member States is to set national efficiency targets for the building, transport and industry sectors and for the better use of electricity.

The mandatory 10% target for biofuels should be qualified with efficiency requirements for manufacturing processes through observing environmental and social sustainability criteria. The use of biomass should be directed towards non-controversial areas and towards more efficient conversion technologies with respect to first and second generation biofuels. The agreement reached in the Council and the will of the European Parliament send out a positive message: we cannot tackle this serious economic crisis without changing our strategy. Those, like Mr Berlusconi, who mocked the European 'three winds' directive and called it a quixotic plan, have been proven wrong.

The package that this Parliament is being asked to adopt, although watered down due to the selfishness of the Member States, goes some way to providing innovative solutions to alleviate the impact of climate change. If we cannot act swiftly then this problem will weigh more heavily on the European economy, and above all on the lives of European citizens.

Jana Bobošíková (NI). – (CS) The directive under discussion is intended to promote the use of energy from renewable sources and forms part of the energy and climate package. I will vote against this package tomorrow as I firmly believe that the legislation presented to us as a hard-won agreement between 27 Heads of State or Government is incomprehensible, superfluous and potentially dangerous. I hope it will never be fully implemented.

The creation and negotiation process of the whole climate package has been reminiscent mostly of the Hans Christian Andersen fairy tale *The Emperor's New Clothes*. The government ministers who finally gave unanimous approval to this confection of chaotic regulations, instructions, penalties and fines in Brussels often display quite an opposite view in their home countries. In private conversations they have even been calculating the negative impact of the climate-friendly madness and acknowledging that this green bubble would damage their national economies. However, they have been afraid to use their right of veto to reject a piece of legislation which will bring the EU nothing but a further loss of competitiveness.

None of the politicians spoke responsibly about how the new directive and regulations will push up the cost of heat and electricity. Why do we need new registers and annual reports to provide a guarantee of origin? Why should an erratic wind-generated kilowatt hour in a distribution network take precedence over a reliable nuclear kilowatt hour? Which of our MEPs is capable of calculating, for example, the normalisation rule for taking account of energy produced from hydroelectric plants? Parliament wants to use this rule tomorrow via a complex formula to give orders to all of the hydroelectric plants in the Union. Who, apart from the rapporteur and a few officials, even knows what I am talking about?

If we want to work in the interests of our citizens and to ensure sustainable development, then we cannot banish all industrial production from the Union, give the wind and the rain our best regards, block nuclear power and endlessly push up energy prices through useless bureaucratic measures. Therefore we should reject the entire climate package tomorrow.

Alejo Vidal-Quadras (PPE-DE). – (ES) We have to acknowledge the fact, ladies and gentlemen, that there is a somewhat bittersweet flavour to today's debate and tomorrow's vote in this House, which have both a light and a dark side.

The dark side is that the intensity and speed of this procedure that we have undertaken have left a large number of Members of this House feeling cut off and excluded from much of the debate on a package of measures that we all know is surely the most important one in this parliamentary term.

On the light side, I am convinced that the outcome of these marathon negotiations is, we can finally say, satisfactory.

This is a joint debate on the whole package, but right now we are talking about the renewables directive, and I would like to highlight some points specifically about this subject.

First, it rightly keeps the proportion of biofuels at 10%, because if we have a problem in Europe it is the problem of security of supply.

The national support plans, which are continuing as well, have been very successful in certain Member States, particularly in Spain. The fact that these are being maintained is, therefore, also very good news in my view.

The flexibility mechanisms are aimed at helping those Member States with less potential to take part in this ambitious project to boost renewables, by joining forces with those Member States that have great potential. This too is a highly positive contribution.

Furthermore, this renewables directive is surely sending to Europe's industries a very strong, clear message that will encourage them to act with confidence and certainty. That will open up huge business and job creation opportunities, both within Europe and globally.

In short, this package of legislation is opening up a new era of commitment to environmental quality of such size and scope ...

(The President cut off the speaker)

Mechtild Rothe (PSE). – (DE) Mr President, first, my compliments on the rapporteur's splendid work. My dear Claude, a most sincere thank you! These guidelines now offer a great opportunity for us to push ahead with a new impetus with the energy changes that Europe needs.

We know that climate change, which is proceeding dramatically, demands a clear focus on renewables and energy efficiency. What has been presented to us today as a compromise with the Council is a very good result. The threat posed to successful national support schemes by the certificate trading that the Commission proposes has been deleted. The flexibility that is essential if we are to reach, and I hope exceed, the 20% target together is provided by genuine cooperation mechanisms. What is more, the national action plans that set out the strategy for the increase in renewables have been significantly sharpened.

On the one hand, the European Parliament has considerably improved the ecological criteria for biofuels, and on the other hand, it has added social criteria. I therefore thank the rapporteur and I thank the whole delegation for this outcome.

Roberts Zīle (UEN). – (LV) Thank you, Mr President. First of all I would like to thank Mr Turmes and all the members of the trilogue for the agreement that has been reached. In my view, the compromise on the renewable energy directive is important because we did not deviate from the targets and undertakings which were set out in the past, regardless of the financial and economic crisis and of the fact that in the short term fossil fuel prices are falling. With regard to transport, I would really like to say that it is good for these sustainable criteria to be put forward and that a scheme has also been found for the promotion of new-generation biofuel, which, in my view, represents a good compromise for this critical situation involving food production and biofuels. Finally, I am also pleased that the view of such a small European state as Latvia has been listened to; that the target for Latvia, which has a particularly high proportion of renewable energy, already the highest in the European Union, has been achieved and reduced. This demonstrates confidence in Europe's comprehension of the situation of small states too. Thank you.

Roger Helmer (NI). – Mr President, in these days when we are all concerned about energy security it is clearly right that we should pursue renewable energy, but that renewable energy must be both environmentally and economically sustainable. In this context, I am very worried about the rapid dash for wind energy, especially in my own country, where we have established over-optimistic and wholly unachievable targets for wind. It is not clear that wind meets those criteria, it is very expensive and it is already forcing up the costs of electricity for hard-pressed families and for businesses.

There is a great deal of embedded energy in the fabrication, construction, transportation and erection of wind turbines. There are substantial amounts of CO₂ which are emitted in the excavation of foundations, infrastructure, roads and cabling. But, Mr President, my main concern today is not those questions, but the impact on local communities: wind farm applications are breaking out like a rash in my region, Leicestershire and Northamptonshire; the wind farms bring visual intrusion, they lower property values, they are blighting lives and homes and communities. We are increasingly concerned about the health effects of low-frequency sound, especially at night, which is disturbing the sleep patterns of local residents. The time has come for us to protect the people we represent. I believe that we should have a statutory minimum distance from new wind turbines to established dwellings of at least three kilometres.

Reino Paasilinna (PSE). – (FI) Mr President, thank you to all the rapporteurs.

A lot is happening. The Union has been involved in ending the war in Georgia, we have begun to try and control the widespread financial crisis, and now we are drafting an energy package, which is no small thing either.

It has been agreed which industrial sectors will receive emission allowances. It is important that there is no investment slump and resultant unemployment. That would have taken place in addition to the financing slump, which would have been a fatal combination. At the same time, employment is getting a new boost, because industry is not transferring to other countries and energy efficiency is on the rise, and for that technologies are needed.

I am pleased that our proposal to take the period 2005-2007 as our basic reference period was adopted, as it will mean fairness. Europe is now heading the change. It is one based on solidarity, which also extends to those who are still not so energy efficient today.

Mieczysław Edmund Janowski (UEN). – (PL) Mr President, I should like to thank the rapporteur and support the compromise on the draft directive on renewable energy. I should also like to take this opportunity to make a few comments.

When we refer to renewable sources of energy, we have in mind taking advantage of the wind, solar energy, geothermal energy, waves, river gradients, biomass and biogas. Unfortunately, facilities for the production

of renewable energy can impact negatively on the environment or restrict food production, although this is not inevitably the case. It is therefore important to bring good sense to bear on all our actions and to conduct in-depth studies. We should also strive to reduce the cost of harnessing renewable energy by seeking innovative solutions. Renewable energy really does not need to be expensive. In addition, we should calculate the ancillary costs, taking account also of environmental damage caused by exploiting the traditional sources of energy.

In this connection, I should like to emphasise the need to involve local authorities, particularly in urban areas. We should also provide society with comprehensive information on this subject. Saving energy and making rational use of it are further very important actions. We must not squander Mother Earth's treasures.

Luca Romagnoli (NI). – (IT) Mr President, ladies and gentlemen, first of all, let me say that I am impressed with the interesting arguments put forward in this debate on one of the keystones of European policies on climate change and energy.

At this time of great turmoil in our economies, I have to admire how the French Presidency has attempted – in conjunction also with President Berlusconi, who deserves thanks and recognition for this – to tackle an area that admittedly contributes to the destruction and pollution of the planet, while ensuring reasonable terms for the survival of our industries. The Turmes report essentially increases our prospects, there being no doubt that we will need energy from renewable sources.

I agree with the general direction taken by the report and with the amendments, particularly Amendments 1, 2, 4, 5 and 7, and I intend to vote in favour, although I wish certain instruments for generating renewable energy were assessed differently, given that their impact has yet to be properly evaluated and debated. The proposed objectives must, however, take account of social as well as environmental sustainability, and thus, if you will, the sustainability of all aspects of our manufacturing industries.

Teresa Riera Madurell (PSE). – (ES) Mr President, this report undoubtedly represents a highly significant step towards a more secure, more competitive and more sustainable energy system. I should therefore like to congratulate the rapporteur on his excellent work enabling Parliament to play a leading role in this process.

I regret, however, that the 2014 review clause has been kept. Admittedly, certain precautions have been introduced to ensure that it affects neither the 20% target nor Member States' control over their national support systems, but to me they do not appear sufficient.

As it is currently worded, some Member States might complain that trading in renewable energy certificates has been revived, a danger that we worked so hard to avoid during the negotiations on this directive.

It is our duty as Parliament to keep watch to ensure there is no relaxation in achieving the targets and also to encourage the Union to promote the enormous potential of renewables elsewhere in the world.

We therefore welcome the initiative of setting up an international renewable energies agency to promote renewables outside Europe as well.

Inese Vaidere (UEN). – (LV) Ladies and gentlemen, in my view, it is a very welcome fact that the agreement on the climate change package was reached unanimously, since it is clear that we will only be able to move forward effectively if unanimity rules. Firstly, I will remind you that in the wording of the compromise a solution has been found for those Member States that reduced their emissions during the period from 1990 to 2005 by at least 20%. The solution, however, ought to be even more daring, since, for example, in the case of my country – Latvia – the reduction from 1990 to 2005 has already been 57%, and the total funding from auctions, which is available in order to implement the package, has been significantly reduced. Secondly, in order for the 2020 targets to be achieved, we must create an effective EU-wide incentive system, which will support businesses and individuals that use or introduce renewable energy resources. This could be done by covering part of the costs of making the changes. For Member States that do not have adequate budgetary resources available to them, this task could otherwise prove impossible to accomplish. The European Commission ought also to devote more effort to finding resources for the production of more effective and cheaper renewable energy technologies. In order to improve the climate situation worldwide, these technologies need to be provided at acceptable prices ...

Czesław Adam Siekierski (PPE-DE). – (PL) Twenty per cent of energy used is to be derived from renewable sources by 2020. This is a very ambitious target, in view of the current situation in Europe. At present, renewable energy accounts for 8.5% of all energy used. Each country should seek out the resources that it will be best able to exploit on its territory.

It is worth noting that local authorities are increasingly willing to exploit renewable energy. I believe that the future of the sector does indeed depend on local initiatives. The latter can count on strong national and European support, including financial support.

It is therefore essential to encourage such actions, to demonstrate the benefits they will bring and to support initiatives already taken. The benefits are wide-ranging: more jobs, income, tax revenue and, first and foremost, renewable sources of energy.

Marusya Ivanova Lyubcheva (PSE). – (BG) Mr President, Commissioners, ladies and gentlemen, this report is an undeniable achievement for the European Parliament. The fact is we need to find two balances: on the one hand, production of energy from all possible sources, including renewable and alternative ones, and, on the other hand, energy production and consumption and protection of the environment.

This directive is an important instrument for achieving this. It is important to introduce economically efficient policies and measures in order to minimise the burden on energy consumers and for the benefit of society. However, support for the directive also marks support for the technologies which have traditionally been used for energy production when they are safe, sustainable and reliable, an important factor in the case of nuclear power sources, for instance. This means we need flexibility.

This is why I once again want to focus attention on the problem with the nuclear reactors that have been shut down at the power station in Bulgaria, which needs to receive sufficiently appropriate compensation so that the country can continue to effectively take part ...

(The President cut off the speaker)

Romana Jordan Cizelj (PPE-DE). – (SL) Ladies and gentlemen, last week in Poznań I was able to see for myself the great hopes which the rest of the world has regarding the European Union. We have been encouraged to maintain our leadership in the field of climate change. We have also received indications from the United States and Australia that they are going to embark on a similar path to the one we have been pursuing.

Naturally, this is a tremendous responsibility for us. The responsibility to pass sound laws and implement them. This responsibility is all the greater because our legislative instrument does not provide for any penalties. This is why I would call on national governments as well as Members to make sure that we really fulfil our objectives.

I would also like to stress two more things: that we need to invest in transport networks, alongside investment in production capacities in the area of renewable energy sources. Intelligent networks play an extremely important role in this regard, because they enable the distributed generation of electricity. One last thing, we should increase biomass use ...

(The President cut off the speaker)

Silvia-Adriana Țicău (PSE). – (RO) I would like to congratulate the rapporteur, Mr Turmes. Promoting energy from renewable sources requires a firm commitment from Member States to modernise their power supply infrastructure, establish a functional separation and connect up the various power supply networks in Europe so that producers of renewable energy can have access to the energy transportation and distribution network.

The European economic recovery plan provides significant sums for energy efficiency, renewable energy, connecting up the various power supply networks and boosting energy efficiency. This means therefore that promoting renewable energy can create new jobs and help economic development.

Substantial investments are required in order to gradually reduce dependence on fossil fuels, as well as modernise and make more efficient existing energy production facilities. As regards biofuels, the EU needs to invest in research into the second generation of biofuels ...

Gyula Hegyi (PSE). – (HU) I would like to share a few thoughts regarding biofuels. We know that this is a very contradictory form of energy, since if we import it from the developing world, there is the danger of destroying rainforests or causing hunger in many places. At the same time, the third generation biofuel in particular can be useful to our overall energy balance, and therefore I think that fundamentally we should be producing biofuels from domestic, that is our own sources; in other words, the surplus capacity of European agriculture should be used for this purpose. To give just one example: in Hungary, nearly 1 million hectares

are lying waste. If we could use these lands in an innovative way to produce biofuel, while at the same time preserving their natural qualities – in other words, not engaging in intensive cultivation – then we would be simultaneously serving the cause of the environment and also the objective, mentioned by Mr Turmes, of drawing mainly on our own sources, within Europe, to obtain ...

Claude Turmes, rapporteur. – (FR) Mr President, thank you to everyone, and thank you also for the flowers; it was a pleasure to work with you. I would just like to make two or three small comments.

Firstly, Andris, Commissioner, you are quite right. Here we are talking about 20%, but I see 20% as the minimum. I am sure that in 2020 we will do better than 20%, because the costs for technology will decrease, and because the whole system and the whole economy will be built around renewable energy sources.

Look at electricity: we are going to go from having 15% green electricity today to 35% in 2020. What is going to stop us from getting to 50% between 2025 and 2030? This directive is therefore starting, from tomorrow, the green energy revolution, and I think that next year we will need to support it with two measures. Firstly, more money from the European Investment Bank.

Secondly, when the Commission puts forward the action plan for renewable energy next year, I would like it to think very carefully about regional cooperation: cooperation between the North Sea and the Baltic Sea, regional cooperation around the solar plan launched by France, and also regional cooperation on biomass. Why not establish a centre of excellence in Poland to speed up the use of biomass in the whole of Eastern Europe, in combination with heat networks?

The green revolution has therefore begun. What we can concentrate on now is energy efficiency. The figure of 20% energy efficiency has not been mentioned enough in recent months. We could not do everything. This therefore means that energy efficiency, buildings, transport logistics, electronics, electric engines, all of these things now need to be the focus of our attention in 2009 and 2010. Also, Sweden, Spain and Belgium, who will be holding the presidency of the EU, in cooperation with Parliament and the Commission, need to make energy efficiency another European Union 'success story' so that we are on the right track.

Thank you everyone. It was a real pleasure. It was almost a life ambition, in a way, a dream that I have been able to realise, and I therefore thank you for all the satisfaction that you have enabled me to experience due to this project.

President. – Thank you, Mr Turmes, and congratulations on the success that has been achieved in this debate and that will be achieved in the vote tomorrow.

The debate is closed.

The vote will take place tomorrow.

Written statements (Rule 142)

Constantin Dumitriu (PPE-DE), in writing. – (RO) The European Council recently debated the legislative energy and climate change package. The main concern was the financial and economic crisis. We cannot, however, overlook the food crisis related to this. Nowadays in Europe, economically viable agriculture is a requirement for ensuring food security for its population.

I understand the concerns of my fellow Member, Mr Turmes, with regard to biofuels and his opposition to the aim of using these fuels as 10% of the total fuel consumption, which is supported by the Commission. There are those who consider that energy crops are responsible for the food crisis and the rise in food prices. However, these crops account for no more than 2% of Europe's current agricultural production.

There is the risk that an unjustified increase in the production of biofuels will compete with food production. This risk can be counteracted by clearly defined legislation and by laying down precise objectives in the national action plans.

We must not ignore the benefits of using biofuels, such as the reduction in dependence on fossil fuels and in greenhouse gas emissions. In countries with significant agricultural potential, like Romania, Bulgaria or Poland, using biofuels presents a viable socioeconomic alternative for developing rural areas and promoting environmental protection by utilising the potential offered through energy efficiency and renewable energy sources.

Rovana Plumb (PSE), in writing. – (RO) Adopting this directive will instil greater confidence in investors and establish a regulatory framework, which is vital for scheduling future investments aimed at achieving the ambitious targets by 2020. The directive on energy from renewable sources offers economic opportunities for developing new industrial sectors and approximately 2 million jobs which will be created by 2020. This is an extremely important task given the current financial and economic crisis.

The proposal for a directive on the promotion of the use of energy from renewable sources sets out mandatory legal objectives for each Member State in terms of the general proportion of renewable energy to be used. As a result, Romania is expected to increase its use of renewable energy as a proportion of its total final energy consumption from 17.8% in 2005 to 24% in 2020, a figure of 11% of the country's gross domestic energy consumption will be provided by renewable sources in 2010.

During the subsequent period, the national target set for the use of renewable energy sources in generating electricity will be met if the following measures are taken:

- boosting investment in improving energy efficiency throughout the whole chain involving resources, production, transport, distribution and consumption;
- promoting the use of liquid biofuels, biogas and geothermal energy;
- supporting activities involving R&D and distributing the results of relevant research.

11. Greenhouse gas emission allowance trading system (debate)

President. – The next item is the report (A6-0406/2008) by Mrs Doyle, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a directive of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading system of the Community (COM(2008)0016 – C6-0043/2008 – 2008/0013(COD)).

Avril Doyle, rapporteur. – Mr President, the cost of reducing carbon emissions and decoupling our economies from our fossil fuel dependency will be about 1% of GDP if we act and act decisively over the next 10 years.

If we postpone the decisions that we as politicians have been told by peer review scientists are essential to reach the 2°C maximum increase in global temperature, the cost will be at least 10% of GDP by 2020 and increase steeply as environmental tipping points will be tracked by financial ones.

Yes, energy-efficient and resource-efficient industries are also economically efficient and, yes, revolutionary change in the energy sector is what we need. We have absolutely no choice at all on that matter. The EU is the only region in the world that currently has a functioning emissions trading system and which has put a price on carbon and which is committed to a 20% unilateral reduction in our CO₂ emissions.

Effectively we have been the pilot project for the rest of the world, for other regions. Those other regions were developing their cap-and-trade systems and I look forward to the new US Administration's proposal based on President-elect Obama's election manifesto early in the New Year. It was confirmed to us by Senator John Kerry last week in Poznań that it would be no later.

I also welcome today's draft ETS proposal from the Australian Government, using our ETS as a template, and I sincerely wish them well also.

I welcome the resolve and intent of the Chinese, the Indians and so many other countries in the industrialised and less-developed parts of the world to achieve the target of a serious reduction in carbon dioxide emissions, as opposed to business as usual.

It has been almost a year since the Commission adopted the climate and energy package and we have come a long way in those 11 months. The French presidency announced in July that this package would be their priority, and we have been working hard to deliver a deal together by the end of this year.

We are now within sight of the finishing line. Exceptional circumstances called for exceptional measures. All those involved in the EU institutions have clearly understood the need for Europe to drive this process forward and deliver it in time for the 15th meeting of the United Nations Convention on Climate Change next year in Copenhagen.

First-reading agreements, particularly on such complicated and technical issues, must not become the norm. I have great sympathy for colleagues who are criticising the timetable, as distinct from the substance of what we do. I am quite sure that, if the subject matter was otherwise, I would probably find myself agreeing with a lot of what they say. But in this instance we all know why. We have no choice; we know why the timetable is as it is.

The preparations for reaching the all-important international deal have already begun and the signing off of this climate package would restate the EU's strong commitments to its targets and to living up to its responsibility to the developing world.

I have reiterated many times to the French presidency and there has always been a clear understanding between us that we would never let Parliament be presented with a *fait accompli* from the European summit. That was clear leading up to it. As rapporteur of the review of the European Union's emissions trading system I would like to acknowledge the fact that the French presidency and the excellent team led by Ambassador L  glise-Costa understood that from day one. The issues that went in square brackets to the summit were within the parameters of what would have been acceptable to the European Parliament and to myself as rapporteur for the lead committee, the Committee on the Environment, Public Health and Food Safety.

So, for colleagues who doubt that codecision has been honoured, not only in the spirit of the law but in the letter of the law, let me assure them there were no surprises in what came back from the summit because all the issues and the parameters had been thoroughly thrashed out in five or six trialogues in advance of the summit.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, allow me to say that the work that has been done by Mrs Doyle and all the MEPs on this directive, which was objectively difficult, is absolutely crucial and essential. Yes, Mrs Doyle, I do think that we have respected the confidence pact. There were two really essential issues.

The first question was: are we still in codecision due to the schedule? I confirm that we are in a genuine codecision procedure. Time was short for everyone, due to international events that are not anyone's fault, not Parliament, the Council or the Commission, but because of Copenhagen and the European democratic pace.

To tell you the truth, I am not sure whether, if we had had much more time, we would have done much better. There are times when speed enables you to manoeuvre more easily. This is a truth well known to skiers, and I think, rapporteur, that you found a way to bring Parliament's strength to the trialogues, in particular on the essential issue of the second stage. The rest is in the text.

The real question is 20% to 30% and comitology or codecision, at a time when Europe needs to be able to manoeuvre in negotiations. We will probably have to invent a somewhat informal travelling trialogue process around Copenhagen, a little before and a little after, so that Copenhagen is a real international success and there are real conditions for change.

In any case, you know that on this point we abandoned comitology for codecision, which I think is essential both for this particular report and for this directive.

One final point: like us, you want the allocation of auctioning to have a more affirmed, more significant substance in the context of the trialogues, for which we ultimately have clear support from the Commission. In the meanwhile, we have increased our capacity from 20% to 50%, in the declarations of the Member States, for the use of these auctions.

In a few words, that is what I wanted to say. I do not think that the schedule has at any point or in any way affected the reality of the codecision procedure, which is just as essential as unanimity, which was not compulsory, was essential for the Council and the Heads of State or Government.

Stavros Dimas, *Member of the Commission*. – (EL) Mr President, the conclusions of the European Council on the proposal to revise the European Union greenhouse gas emission allowance trading system are highly satisfactory, especially if we bear in mind how complex and technical this system is. When the Commission tabled its proposal a year ago, its aim was both to improve and extend the greenhouse gas emission allowance trading system, so that it could make a substantial contribution towards the objectives of reducing emissions of carbon dioxide in the European Union, and to make it the core, the standard for other greenhouse gas trading systems throughout the world.

The compromise agreement retains all the relatively important points of the proposal, especially the overall upper limit on emissions of carbon dioxide with the linear reduction, in order to achieve the overall objective of a 20% reduction. It also retains the gradual adoption of full auctioning. I should point out that, in the first and second trading periods, the total percentage auctioned was approximately 5%. Now, in the third period starting in 2013, at least 50% of allowances will be traded and this will gradually increase year on year. Furthermore, as a result of the compromise proposal, the allocation rules are harmonised, so that everyone has the same capabilities, and this is also a very important achievement. The compromise proposal absolutely safeguards environmental integrity and the objective of protection and addresses the concerns and fears of industry by guaranteeing certainty on a long-term basis and incorporating special provisions for those industries in danger of relocating due to the fact that there is no international agreement restricting emissions of carbon dioxide and other greenhouse gases.

The European Union trading system is already the largest in the world and, of course, with the problems which we had identified and which we have corrected in this proposal, it will become even more efficient and capable of linking up with the various other systems which are being set up internationally. I should like once again to thank the French Presidency for its immense efforts and, in particular, the rapporteur, Mrs Doyle, on her very important contribution in formulating the compromise agreement and, of course, all of you who voted in favour of the proposal.

Corien Wortmann-Kool, *draftsman of the opinion of the Committee on International Trade*. – (NL) Mr President, I too should like to start by warmly congratulating our rapporteur, the Commission and, last but not least, the Council presidency on the result achieved. Whilst the ambition and objectives have remained intact, the line of attack is much smarter.

In fact, we asked that attention be paid to this in the Committee on International Trade. If we placed a heavy burden on European industry, which has to compete in the global marketplace, what would happen is that some of our industry would move away from Europe. This is contrary to what we are trying to achieve, namely cleaner production both in Europe and beyond. That is why it is to be welcomed that the auctioning scheme has, to a large extent, made way for benchmarks. Congratulations on the end result, because that is also what the Committee on International Trade had pleaded for.

Secondly, I should like to draw your attention to the effort and commitment across the globe. In Poznań, progress was made only reluctantly. We must really join forces with the new President of the United States so that a worldwide agreement can be thrashed out, because we will not really be able to achieve our worldwide goals unless we do so.

Elisa Ferreira, *draftsman of the opinion of the Committee on Economic and Monetary Affairs*. – (PT) Mr President, despite the economic and financial crisis, the European Union has not wavered in its climate change commitments. The statements made by the President-elect of the United States and the attitude shown by China, Brazil, Mexico and others at Poznań prove that Europe's pioneering lead on the environment is starting to bear fruit. This Parliament has clearly added value to the Commission's proposal and I thank the rapporteur, Mrs Doyle, for having been so open to suggestions from the Committee on Economic and Monetary Affairs. She has proposed to this Parliament sensible solutions to the problems of carbon leakage in industry, she has introduced quality criteria and a 50% limit on the use of off-setting and clean development mechanisms, and she has tried to keep to around 50% the freedom of Member States to use the revenues generated from auctioning allowances.

There is still much to do, and I hope that this will be achieved with the active participation of this Parliament. In particular, we need to detail the criteria for classifying in practice those sectors affected by carbon leakage and also the consequences for the economy and citizens of increased energy prices. Above all, we need to use all Europe's diplomatic power to ensure that the environmental commitments of our main partners are genuine, measurable and equivalent to our own. Sectoral agreements may form a fundamental element in this process. We are, however, still on the right road and I believe that we have done some good work.

Lena Ek, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (SV) We have had a system for trading emission allowances in Europe since 2005. This negotiation has been about improving these rules. Nevertheless, it has felt like we were taking part in the film *The Killing Fields*, with fire and counter-fire coming from all directions.

A lot of the negotiations have been carried out in the Committee on Industry, Research and Energy and I would like to mention in particular some of the things included in the final negotiation results. The setting of priorities for a global agreement is extremely important. The fact that we will have a list of the competitive

industries after Copenhagen is very important. We have managed to get simpler rules and less bureaucracy for small businesses accepted. The system has become more open and transparent with a prohibition on insider trading, and this ensures credibility and effectiveness. We have introduced incentives for industry to utilise surplus gas and heat in the production of combined heat and power. We have included more shipping and we have the opportunity to negotiate with the countries around us for the purposes of emissions trading.

The structure is there, the environmental targets are in place, but the tools have become weaker through the actions of the Member States. I find this regrettable, but I will nevertheless recommend that you vote in favour, as the cost of not having a climate package in place is infinitely higher. Thank you, Mr President.

John Bowis, *on behalf of the PPE-DE Group*. – Mr President, we have rightly been having bouquets sent to the French presidency for its work here. It is Jean-Louis *le Roi-Soleil* down there, and I hope that in accepting that title he will share a little bit of it with our rapporteur on this dossier, Avril Doyle. Of all the dossiers in the climate package – and I support them all – that is the one that has been the most difficult to tackle. I think she has had the toughest job. In Poznań last week it was the one that was in question but we achieved it; the results have come by trust and by hard work.

Some in my group think that here and in other parts of the package we may be going too far, too fast and at too great a cost. Others, including my own party, think we could perhaps have gone further in many respects. We and our British Confederation of British Industry wanted a bolder policy on auctioning. We wanted earmarking of revenues to eco-innovation and new technology. We wanted to support low-income countries. We wanted revenues for forest protection and enhancement and we wanted clear performance standards for new power stations so that no coal-fired power stations could be opened without a CO₂ capture technology in place.

But we have achieved funding for demonstration projects for CCS. We have achieved rigorous criteria for biofuels. We have protected small firms, we have exempted hospitals and we have given industry that certainty that they asked for as they set out to meet the challenges that we have set them. Copenhagen is 12 months away. We have made a start. Copenhagen must take it on from there.

Linda McAvan, *on behalf of the PSE Group*. – Mr President, I would like to start with ‘thank you’. I would like to thank Commissioner Dimas, his team and Jos Delbeke. They did a good job; they gave us a good proposal in the first place. I thank Avril Doyle, who is tough, you know, and has a lot of tenacity and determination. It has not been easy, as John Bowis has just said. I thank all the shadows, who worked with us, Virpi Köykkä from the secretariat of the committee, Ulrike Schöner from the Socialist Group and Elizabeth Colebourn, my assistant. These people have done inhuman amounts of work in the last few weeks to make tomorrow’s vote possible – and they are nearly all women! We had a few men who helped us along the way. We had a good team and worked well together. I thank the Minister, his team and LÉglise Costa because we have got a good package tomorrow.

What have we achieved? Well, John Bowis said ‘some of it’. But it is an achievement that we are here today and are going to vote tomorrow. That has not been easy, as there are some in this House who did not want us to vote tomorrow – who did not want us to vote at all before the elections. We are going to vote on a package that is balanced, which balances the environment with jobs. Yes, we have made some concessions on auctioning, but the auctioning is the ‘how’ – it is not the ‘whether’ – we tackle climate change. We have the cap and the downward trajectory and those are the key things that guarantee that we will deliver the 20/20/20 target.

I do not want anybody to leave this Parliament when they go home on Thursday saying that we have let industry off the hook – that is not the case. These are tough targets for industry and we are, as the Commission has said, the first group of countries in the world to have such a comprehensive emissions trading scheme. It will have the support of my political group, and I hope it will have the support of the whole House tomorrow.

At the beginning of this process I said that Europe had talked the talk under the German presidency, and now we had to walk the walk by taking these tough decisions on this legislation and the rest of the package. Tomorrow I hope we will make that decision, we will start the walk towards Copenhagen and along the way we will get some other people to join us and, at the end of the day, deliver a climate change package that is worthy of the effort that has been put into this by everybody in this House.

IN THE CHAIR: Diana WALLIS*Vice-President*

Lena Ek, *on behalf of the ALDE Group*. – (SV) The Swedish author and Nobel Prize winner Selma Lagerlöf begins one of her most famous novels with the exclamation 'At last!', and this is probably what all of us who have worked on these various issues in the climate package can say. A big 'thank you' must of course go to the French Presidency, to the Commission and to Commissioner Dimas, who has personally done so much work on this, to Mrs Doyle, of course, and to all my colleagues, and not least to the staff who have worked so hard.

Many of us would like to go further, but let us remember that at the same time there are many people who do not believe in the effects on the climate, who do not want a decision and who would have gladly deferred any action, any management and, above all, the vote that we are to take tomorrow. It is this situation that we should make comparisons with. In a perfect world, I would like to see more emission reductions in Europe and fewer emission allowances being handed out for free, but at the same time I can point out that we have pushed through a number of positives, such as greater openness, simpler rules, exceptions for small businesses, carrots, incentives for energy efficiency in industry and a minimum level for aid to developing countries. Shipping will be included in the system in a few years' time. It is clear that more emission allowances will be sold at auction. Unfortunately, none of the revenue has been ring-fenced for important investments and projects. However, the Member States have promised, through their transparency, to show that at least half of the revenue will be used to help developing countries and to invest in forests, new research and new technology. This is a promise that the Member States must keep. From Parliament's point of view, we will keep them under observation and we will hunt down with a blowtorch any who break the promises they have made here.

What we will be voting on tomorrow is not a perfect agreement, but if we vote against it we will at the same time be voting in favour of doing nothing. Then we will have no starting point for negotiations in Copenhagen in December. If we do not start this work now, the costs will be enormous, and what we have to do now is to take responsibility in the vote tomorrow, for the environment, for industry and for the population of Europe. The Group of the Alliance of Liberals and Democrats for Europe will support all of the proposals included in the package. Thank you, Madam President.

Caroline Lucas, *on behalf of the Verts/ALE Group*. – Madam President, my thanks to Mrs Doyle for all her hard work. This morning President Sarkozy said that compromise is the spirit of Europe. Well, unfortunately I do not think that sentiment will be much of a consolation in just a few decades from now, when people look back at 2008 and ask themselves what on earth were politicians thinking about. Knowing what they knew then, why on earth did they not do more to save all of us from the unbearable impacts of a warming planet? Why did they not act with more urgency and determination?

I think that is a question we should be asking ourselves, because the science is very clear: that 20% emission reductions by 2020 is simply no way near ambitious enough to give us any serious likelihood of avoiding a 2°C temperature increase. And scandalously looking at the package as a whole, well over half of that utterly inadequate emissions reduction could in any case be outsourced to developing countries. That is not only scientifically unsound, it is also ethically wrong.

Meanwhile the emissions trading system is itself being turned into a windfall profit machine for Europe's most polluting industries. Instead of learning from the first phases of the ETS, we appear to be creating laws that would subsidise these industries and delay still further our transition to a more sustainable economy. So I am afraid I cannot share Mr Sarkozy's celebration of compromise, not when that compromise is made up of countless corporate concessions which put the profits of industry literally before the liveability of this planet. Not when that compromise means that sectors representing fully 96% of the non-power emissions are to be given 100% free allocation of permits. Not when that means the carbon price will be driven so low that there will be nothing like the necessary stimulus for investment in green energy alternatives.

This is not a day for celebration: it is a day to reflect on how much more is needed to generate the political will to stand a chance of avoiding the worst of climate chaos. And a day to reflect that yet another opportunity for real change has sadly been lost.

Salvatore Tatarella, *on behalf of the UEN Group*. – (IT) Madam President, ladies and gentlemen, I would not be as pessimistic as Mrs Lucas, who spoke before me. I would like to thank the rapporteur, Commissioner Dimas and the French Presidency, because this is undeniably another success for its term of office.

I believe that the approval of the climate and energy package and of this directive is an extremely positive thing. Europe can now call itself the world leader in the fight against climate change. We have the right credentials to go to Copenhagen next year with authority and in a position of strength, able to ask all the other countries of the world to do as Europe has done.

I would particularly like to point out the positive role played by Italy, and this is not a contradiction: Italy had no desire to withdraw, or to obstruct the ambitious targets we had together set ourselves, but at the same time we had a duty to defend our national manufacturing system. As President Sarkozy said this morning, Europe cannot be formed against the Member States and against national interests; a compromise was necessary and we are certain we have achieved it.

Jens Holm, *on behalf of the GUE/NGL Group*. – (SV) Emissions are increasing at a rate that has not been seen before. The increase of 2.2 ppm of carbon dioxide per year is the most rapid increase in carbon dioxide emissions in 650 000 years. We must put a stop to this. We must get levels down to no higher than 350 ppm of carbon dioxide in the atmosphere. The emissions trading scheme is the most important tool the EU has for reducing emissions. How we design the system is therefore crucial.

Consequently, I am disappointed that as much as half of the EU's emission reductions will be made in other countries by means of what are referred to as flexible mechanisms. This was never the intention of the Commission on Climate Change and Development, which talked about the flexible mechanisms merely as complementary measures. I am also disappointed that it is taking so long for the auctioning procedure to fully enter into force and that, already, financially strong energy undertakings are to receive a free allocation if they build experimental facilities for carbon capture and storage, or CCS as it is referred to.

Despite this, the Confederal Group of the European United Left/Nordic Green Left and I will support the proposal. The proposal does, at any rate, result in an improvement in the ill-functioning system that we have at present. We have introduced an upper limit for the CDM or Clean Development Mechanism projects as well as quality criteria for them. Auctioning of emission allowances will, after all, remain the dominant principle. The ceiling for emissions will also be progressively pushed down. This will mean that Europe's emissions will have to be decreasing all the time.

To conclude, it is a step in the right direction, but I had wanted us to achieve more. As usual, industry's lobbyists and conservative Member States have succeeded in their attempts to water down our climate goals. This is the EU in a nutshell. There is a lot of talk, but very little action when it really counts. Thank you.

Johannes Blokland, *on behalf of the IND/DEM Group*. – (NL) Madam President, I should first of all like to offer my sincere thanks to the rapporteur, Mrs Doyle, for her perseverance and the result that was ultimately achieved during the negotiations. It is a result that we cannot be entirely happy with, though. Whilst I believe that all the emission allowances should be auctioned as early as 2013, the compromise that is before us is still acceptable.

What I am delighted about is that it has been ruled that the 300 million emission allowances for carbon capture and storage (CCS) demonstration projects will be made available. This will give us a good incentive to try out this transitional technology. I also sincerely hope that the Member States will actually spend a large proportion of their auction profits on climate objectives. This can be done through funds, such as the UN Adaptation Fund, or else by channelling the money indirectly to industry by promoting innovation and research.

All things considered, I shall be voting in favour of the present agreement tomorrow. It is a step in the right direction. Mr Borloo had to get a wheelbarrow filled with 26 frogs to the other side without any of them jumping out, while Mrs Doyle's mission was to get a whole wheelbarrow full of hundreds of biting frogs to the other side. She, too, managed to do this. Well done.

Françoise Grossetête (PPE-DE). – (FR) Madam President, we now have a compromise, and I would like to take this opportunity to congratulate the rapporteur, Mrs Doyle. Europe will not, therefore, be ridiculed in Copenhagen. I am nevertheless holding my breath a little until tomorrow, in the hope that our fellow Members will vote the right way. I once again condemn the fact that some of them are criticising the procedure that has been used. I think that it is an insult to the rapporteur and to Parliament itself.

I also want to point out that, after the Council, a fresh dialogue was held with the European Parliament on Saturday and that a number of things changed again at that time. This is proof that Parliament has its rightful place in the codecision process. I therefore ask my fellow Members to remain objective. We will not reach

a better agreement in one or two years. We also do not have the luxury of taking our time between now and 2013. Industry wants to make plans now; it wants to organise itself now.

All of the necessary adjustments are there. They will enable us to support research and innovation and to help our businesses and our economy get through this transition period of a sustainable industrial revolution as painlessly as possible. They will also enable us to prepare better in the light of the economic crisis, without risking the objective of a 20% reduction in greenhouse gas emissions.

I therefore ask those among my fellow Members who are still hesitating to see sense, by saying to them that I cannot imagine how ridiculous it would be to have a European Parliament that was incapable of reaching an agreement and nevertheless wanted to convince others next year in Copenhagen that it was right. What happened on Friday was historic. There is not a continent in the world that has established rules that are as binding as those that were adopted unanimously by the Council and approved in the trialogues. Europe is now on the move, because it has found what it was lacking: a strong political will.

So let us not limit ourselves simply to institutional considerations. Let us rise above all of that. The European Union, at the impetus of the French Presidency, has just redesigned its economic and energy future by reaffirming its international status as a leader in the fight against climate change. It was not a simple matter. To bring 27 Member States around a table to agree on binding rules was a real challenge. So well done to the French Presidency and good luck for Copenhagen.

María Sornosa Martínez (PSE). – (ES) Madam President, Mr Dimas, Mr Borloo, ladies and gentlemen, it is time to act. The package of legislation that we are debating allows us to do so. Although the outcome of this package is not exceptional, we should feel reasonably pleased.

If it is adopted tomorrow, it will send out a clear signal to other countries that the European Union is committed and is leading the fight against climate change.

Addressing this climate change and the transition to a low-consumption, low-carbon society is a key global priority. This legislation will enable us to plan future investment to reduce emissions, especially through energy efficiency and the gradual dismantling of those obsolete plants that emit huge amounts of CO₂.

I would like to thank everyone – especially Mrs Doyle – who has enabled us to be here now, feeling pleased at having a package of legislation that I hope we will adopt tomorrow.

Patrick Louis (IND/DEM). – (FR) Madam President, ladies and gentlemen, respecting the environment and competitiveness should not be separated. Together they produce performance. Unfortunately, the mechanism put forward by Parliament will remain a compromise that may be ineffective, because it is lacking two things.

It lacks the establishment of compensatory rights at the borders. Without this key element, our requirements will not be compensated for at global level. They will become additional production costs, curbs on expansion, accelerators of carbon leakage, imports destroying our jobs. Without any compensatory rights at the borders of the Union, our qualities are in danger of becoming defects.

It also lacks a bold policy to allocate carbon rights to forests and the wood industry. This would have increased the value of forests in developing countries, limited CO₂ emissions and promoted the most elementary source of carbon.

These two common-sense remarks mean that this report, which is full of good intentions, could just be a huge waste of energy.

Pilar Ayuso (PPE-DE). – (ES) Madam President, Commissioner, this proposal was issued by the Commission more than a year ago with some really ambitious objectives. In the meantime, there have been financial upheavals around the world that, it seemed, would sink these measures. In the end, however, a balanced agreement has been reached. It satisfies hardly anyone in its entirety, but it is a good agreement that retains the final objectives and, at the same time, gives businesses better access to the means to achieve them.

That is why we must offer our very special thanks and congratulations to the rapporteur, Mrs Doyle, to the shadow rapporteurs from the other political groups, and also very especially to the French Presidency, because its work has enabled us to achieve a good outcome for everyone.

I trust that circumstances in the near future will enable us to be much more ambitious, and that other countries will also join this crusade to fight climate change that we are all so keen to carry out in Europe.

Atanas Paparizov (PSE). – (BG) Madam President, representatives of the European Commission and Presidency, allow me first of all to express my support for the agreement reached within the framework of the European Council and the trilogue on the energy and climate change package.

This confirms the European Union's role as a driving force in the fight against climate change. At the same time, it takes into account the need for Europe to remain competitive and preserve jobs during a period of deep global economic crisis.

When it comes to emissions trading, the agreement reached on solidarity with the new Member States from Central and Eastern Europe and on taking into account their efforts during the period after 1990 is evidence of the viability of the European values which made Europe attractive to a large number of peoples.

As regards the capture and storage of carbon dioxide, I would like to call on the European Commission to honour the agreement reached on using 300 million tonnes of carbon emission allowances, with suggestions for cofinancing from the outstanding balance on the 2008 budget and for favourable credits from the European Investment Bank.

I hope, Madam President, that the climate package will become the basis for positive changes in the future, both with regard to the climate and economic development in countries like mine, Bulgaria, and in other Central and Eastern European countries.

Urszula Krupa (IND/DEM). – (PL) Madam President, the entire system for the reduction of carbon dioxide emissions is based on unproven hypotheses. It will not improve the environment and conditions for human beings. The purpose of the document became to achieve maximum reduction of carbon dioxide and also to impose CCS (carbon capture and storage) technology. The latter is dangerous and is not justified from an environmental point of view.

We do not wish to damage the environment by using geological formations as rubbish dumps. This does not make sense. We do not wish either to damage economies that will become less competitive than third countries, thus falling deeper into recession. Our Polish package will cost at least PLN 500 billion. The proposed system for auctioning emission allowances is extremely expensive.

In addition, as it spreads to further sectors of the Member States' economies, the emissions trading scheme will prove a useful tool in terms of steering those economies towards assuming the competence of Member States' authorities in the area of fiscal policy. This will be achieved by gradually phasing out the taxes paid to date and replacing them with environmental taxes determined in an arbitrary manner.

Bogusław Sonik (PPE-DE). – (PL) Madam President, under the European Commission's proposal, large industrial undertakings and power stations emitting carbon dioxide into the atmosphere would have to purchase permits to do so at special auctions. If the system outlined were actually introduced, a wave of bankruptcies would ensue. It has proved possible to prevent such a disastrous situation from arising and to implement a solution. The latter will indeed involve increasing the cost of energy, but not so drastically.

It is important to adopt a holistic approach to the energy issue. That is why Parliament earlier proposed appointing a high-ranking official to deal with the energy issue in the context of foreign policy. The appointee would be responsible for coordinating all political strategies covering the external aspects of energy security such as energy, environment, trade, transport and competition.

The question now arises as to the role of the European Commission. The latter drafted its proposal in a completely biased manner, failing to take account of the situation of countries whose energy industry is based on coal. Together, these countries total one-third of the countries of the European Union. I therefore believe it is entirely appropriate to ask the President of the House whether a common Europe is a Europe of *diktats* or a Europe of agreements. In my view, Commissioner Dimas has failed the test. The Commissioner had nothing to contribute when negotiations were at a critical point. He simply reiterated generally sound statements that did not constitute a basis for compromise. In so doing, he undermined the credibility of the Community approach to European problems. It was the French Presidency that saved the joint approach to climate change issues. It was the French Presidency that enabled an agreement on energy to be reached and I should like to thank Mr Borloo and Mrs Kosciuszko-Morizet for that.

Support for the governments of Member States is now required, so as to enable them to make use of the latest technological achievements in the field of energy. The recently established European Institute of Technology, whose seat is in Budapest, should be able to assist with this.

Matthias Groote (PSE). – (DE) Madam President, the compromise on the emissions trading scheme that is to be voted on tomorrow bears the unmistakable signature of the European Parliament. That is what the rapporteur for her part and the shadow rapporteur for his part have both worked for. I should like to thank them sincerely for this.

The revision of the emissions trading scheme and the whole climate change package form the most ambitious and far-reaching defence package for the global climate that has ever been embarked upon. Of that we can be proud. Neither should we make little of this success; on the contrary, we should pause for a while and take a deep breath.

However, we dare not settle for what we have achieved, for what is to be put to the vote tomorrow. We must instead watch closely how the climate develops and what economic consequences this development will have for us. For this reason, I am requesting the Commission to produce a kind of Stern Report for the European Union, so that we can consider precisely what financial consequences climate change will have for the European Union, and what measures we must take in future to master this global crisis.

Karl-Heinz Florenz (PPE-DE). – (DE) Madam President, ladies and gentlemen, I do not believe that we have been particularly successful in explaining the real meaning that must be attached to this whole package. Many people believe that we wish to punish industrial policy. What this really relates to, however, is CO₂ policy and sustainability policy in this world. We need resources for this! It may be painful, but if we do not have these resources, we cannot deal with the great carbon sinks of this world, and they do exist and cannot be explained away. For this purpose, we have mechanisms, about which I am not very happy either, just as little as I am happy with the outcome. However, I shall nevertheless vote in favour.

Carbon leakage is an entry point to a kind of liberation. This is still far from meaning that industry, which we believe will be freed, is really going to be freed by the Commission. The same goes for the benchmarking system. Minister, with all due respect and to you too, Mrs Doyle, we must be immensely careful lest in the future our Commission become the lord and master of economic policy in Europe. That should never lie with one institution alone! That is why I have my doubts, but will in the end nevertheless vote for the report, since in retrospect this concerns not only CO₂, but also sustainability. We are burning away our children's resources at an appalling rate, and thereby endangering our planet. This must be turned around by a new policy for the industrial society. That is our one chance!

When we complain that Parliament could not bring enough competence to this question, that is quite correct. However, my dear Social Democrat friends, in the Conference of Presidents you voted by a majority for this haste, when we voted against. We wanted a different procedure, one which the Council could certainly have coped with. When you complain, therefore, complain to the right place.

In conclusion, I cannot imagine that there exists a wiser proposal that could find a suitable majority. That is why we must vote in favour.

Anne Ferreira (PSE). – (FR) Madam President, an agreement has been reached on the climate package, and we are all relieved about that.

However, allow me to tone down the enthusiasm that some have for this package. An agreement was a necessary requirement for envisaging what would happen post-Kyoto, but not sufficient to say that now we are in a position to take up the challenge of climate change.

I also think that this text has several weak points. Firstly, I find it regrettable that the level of auctioning has been brought down to 70% in 2020, while the initial proposal was 100%.

Secondly, by accepting that 50% of the reduction efforts can be compensated for by projects in developing countries, we are significantly reducing the European Union's responsibility in terms of climate change.

The third example is the low level of revenue and the lack of firm commitments to invest in the fight against climate change, either within the European Union or to benefit developing countries.

I doubt that these provisions, and more broadly those in the energy and climate package, will encourage the European economy to make the necessary changes and put the European Union on the road towards a society that is abstemious in terms of carbon.

We will nevertheless vote in favour of the whole text, but I think that we will need further initiatives to give more weight to the European commitment.

Elisabetta Gardini (PPE-DE). – (IT) Madam President, ladies and gentlemen, the agreement reached on the climate and energy package is, in my view, an ambitious one, because on the one hand it respects the targets set in terms of environmental protection, while at the same time indicating ways to marry these with economic sustainability. I also see it as an Italian success story, since Italy negotiated several critical aspects of the package and the outcome has been positive.

The agreed text is in fact a considerable improvement on the version produced by the Committee on the Environment, Public Health and Food Safety, and is much closer to our political group's views. For example, the clause providing for a review in 2010, also in light of the results of the Copenhagen Conference, which was agreed at the proposal of President Berlusconi, is a crucial point and the fact that it was passed with unanimity is, I believe, a good sign of its sensitivity to industry. In the same way, it is significant that the gradual introduction of the auction system in industrial sectors not exposed to international competition was accepted. What is more, those at risk of carbon leakage are set to benefit from free allocations.

This does not mean it will be a walk in the park, however, because this package will nonetheless cause a considerable increase in countrywide system costs. Indeed, the number of free allocations is also linked to the ambitious benchmarks set by the directives in question, and therefore the risk of relocation will not be entirely eliminated. For that reason, we come back to the importance of the review clause: this will be an opportunity to assess whether the system is paying too much and to make corrections and realign our efforts.

Parliament, I feel, should keep an eye on how this agreement is implemented and particularly on how the auctions take place; these will be the real test bed, I believe. We are asking a lot of the real economy and, as we have always maintained, we do not want this effort to turn into excessive financialisation, disconnected from the real economy.

Caroline Jackson (PPE-DE). - Madam President, thanks and congratulations to Mrs Doyle, but I think that tomorrow will be a sad day for democracy in the European Parliament.

We are invited to endorse a deal agreed with the Council behind closed doors. We have knowingly thrown overboard our chance to dig away at the Council position through the full codecision process. I see no point in Parliament pressing for more, new powers, if we are not prepared to exercise those we have.

Because we have been hurried along in accordance with a false timetable we have omitted our responsibility to ensure that there is a complete assessment of the impact of the climate change package by impartial authorities. For example, I was the rapporteur recently on the Waste Framework Directive. It promotes the idea of energy-efficient combined heat and power stations, but such plants may be penalised under the revised ETS. Was there any discussion on this important point? What happened to it?

Broadly speaking we have accepted what has been said by those states who are most alarmed by the package. We have omitted to put in place a robust impact assessment apparatus for the EU and now we pay the price. Nor do we have the slightest idea whether the targets set in the package are really going to be met. Are we convinced that there will be strong enough oversight of implementation, despite what Mr Dimas has said, and rapid action against states that do not put into operation even this weakened package?

How will we control all those effort-sharing projects in developing countries? If climate change is so important, we need a much more active approach to implementation than has been the case on environmental policies anywhere so far, and we have heard nothing about that. If anything good comes out of this, it must be a new resolve to secure watertight guarantees on implementation and a standardised system of impartial impact assessment such as they have in the US Congress.

Someone said that this rushed first-reading agreement was not to be seen as a precedent for Parliament's willingness to give in to the Council and throw away its powers, the powers it has under codecision. But it will Mr Borloo, will it not? And future Parliaments will live to regret it.

Georg Jarzembowski (PPE-DE). – (DE) Madam President, Minister, Commissioner, the Group of the European People's Party (Christian Democrats) and European Democrats welcomes the agreement of the Council and Parliament in the trialogue not to extend the new rules for the revision of the general emissions trading scheme (ETS) to air traffic, but to leave it to new, not yet published special rules for air traffic.

The special ETS rules for air traffic, which Parliament and the Council agreed on in summer and which will come into effect on 1 January 2012, are the first worldwide rules to include air traffic in an emissions trading scheme and thereby require airlines to limit the effect of air traffic on the environment. That is right. The

consequences, namely the costs to airlines, airports and ultimately to passengers, who are in worldwide competition, are just barely tolerable, on the basis of the regulations that we agreed in the summer.

More stringent rules via the new general ETS rules would not only be unjustified, but would have brought European airlines into extreme financial difficulties. To that extent, we are grateful to you, Parliament and Council. It is also right because the special ETS rules for air traffic give us opportunities to negotiate absolutely equivalent rules with third countries, and so avoid worldwide conflicts, as such worldwide conflicts could lead to retaliatory measures against European airlines. Quite honestly, global solutions, or at the very least partial solutions, aimed at sensible environmental protection with respect to air traffic in the world are always better than excessively stringent regulations that apply only in the EU. To that extent, we are very satisfied. You are aware that in 2014 the special rules for the ETS for air traffic will be reassessed anyway.

I am therefore grateful to the rapporteur, Mrs Doyle, and the French Presidency – were it to listen – that they have excluded air traffic. That was a correct decision that will enable us to move forward. Thank you very much!

Richard Seeber (PPE-DE). – (DE) Madam President, I shall waste no time in congratulating the French Presidency on these successful negotiations. However, there remains a bitter aftertaste in that the European Parliament was not properly involved. That is a pity, especially with this issue. I cannot quite understand the haste that was displayed here, as almost all the Member States have been tardy in keeping to the commitments they have already undertaken under the Kyoto Protocol.

We are always very good at agreeing on targets that lie far in the future. The emissions trading scheme (ETS) begins on 1 January 2013. We have decided on commitments for this period and further to 2020 and for the distant future. It would have been better to get the Member States to honour their existing commitments and also to properly involve the European Parliament in a fair, orderly and democratic policy making process.

What is more, I believe that the Commission is now faced with great challenges, for it is an overall framework that we have agreed on. Especially when it comes to the definition of individual points, such as the application of flexible mechanisms, it will very much depend on how the Commission sets the prevailing conditions. Here too one must say that, in the ETS sector, more or less 50% can be outsourced to other regions of the world; with effort sharing, it is 70%. Here the Member States have helped themselves quite properly. Here too I would again ask the Commission and Commissioner Dimas to monitor compliance very closely and to remind the Member States of the responsibility that they have assumed to help the world's climate.

Further, we surely still have the problem of an exact definition of carbon leakage. It is quite correct to make exceptions for some sectors, but so far no one knows which sectors are concerned. For this reason, the Commission will have to create a transparent procedure, so that its acceptance by industry and by the Member States can be assured, for we are dealing with very large sums here. It is important that we find a good basis through a transparent process.

Eija-Riitta Korhola (PPE-DE). – (FI) Madam President, I would like to express my thanks to all those here in Parliament who have made such a big contribution to the climate package. I would like to praise the Secretariat in particular, whose hard work has been impressive and whose massive workload could never be accommodated within the limits of legislation on people's working time.

We have now before us a very satisfactory and environmentally ambitious result, and, as occasionally happens, we have the Council and not Parliament to thank for it. It was the Council that put right a few serious problems that were lurking in the Commission's proposal. Actually, there is still a lot left unresolved, and only time will reveal the rest.

Our group had a significant influence on the outcome, though that was not visible in the position adopted by the Committee on the Environment, Public Health and Food Safety. It is now visible, however, in the Council's position and in the end result. Our alternative emissions trading model allowed for a general climate of opinion and free debate. We were therefore helping and encouraging the Council to drive its policy in the direction of the benchmark method.

I therefore want to thank the Member States, including my own country, Finland, for paying close attention to Parliament's wide-ranging views and observing the change that took place here. The Council's endeavours received a lot more support here than at first seemed to be the case.

The main objective of climate policy is to establish a synchronous, universal agreement. There is no other environmentally responsible starting point. This way we can ensure that the reductions here do not result in an increase elsewhere, because then the sacrifices would have been in vain.

Unfortunately, there are those in the environmental movement who would be prepared to go along this path. Experience has shown, however, that the environment does not reward unilateral determination and climatic Puritanism, because it does not bring results. We need to form a broad front and have fair rules. We need legislation that can motivate companies to join the race for technology that produces the fewest emissions and which rewards – and not punishes – them for it.

I particularly wish to say how glad I am that we will be keeping to the 20% emissions reduction target, so that we might say that Parliament and the Council have not watered down anything whatsoever.

Christofer Fjellner (PPE-DE). – (SV) Madam President, I must say that during the years that I have been in the European Parliament I have learnt that it does not always turn out the way one would like it to. Everything is built on compromises, but actually it generally works out quite well in the end nonetheless. Many people are complaining at the moment, both those who think that we should have adopted more ambitious rules and also those who think that these rules are far too ambitious. However, I think that we should essentially be extremely satisfied that we have actually succeeded in achieving a compromise at all. This is a step in the right direction, and it is a step that makes me, at least, proud. I am proud that this confirms that Sweden is still the country that is taking most responsibility in Europe, but also that Europe is the part of the world that is taking the most responsibility overall. As Swedish Conservatives we have worked hard to bring about this compromise, both in the Council and here in the European Parliament.

There is a lot to be said about this subject, but if I were to comment on what I am most satisfied with, I would highlight what we have done with cars, that we are taking account of the environmental benefit of cars, but also that we are giving car manufacturers a reasonable amount of time to develop new models. As has already been said, we must not be lured into believing that this is the end of the process. This is only the prelude to the important work that needs to be done in Copenhagen. I now believe that we have laid a good foundation for this. Thank you very much.

Jerzy Buzek (PPE-DE). – (PL) Madam President, in my view, this directive is an example of sound and effective dialogue within the European Union. It was probably the most difficult directive we have had to deal with during this parliamentary term. The amendments tabled were not clear to everyone. In the end we listened to each other, firstly in Parliament, and then I must recognise that the French Presidency demonstrated extraordinary diligence in its approach to the matter. I should like to thank Commissioner Dimas and Commissioner Piebalgs for taking part in the debate.

What is now required is for us to ensure that we implement this directive. We are required to reduce emissions of greenhouse gases by 20% by 2020. A 20% reduction is the minimum! In this way, we have created a common European Union climate policy. This has not yet been stated in as many words, but the directive does refer to our common policy. As with any common policy, systematic action, monitoring and mutual checks will be called for. We also need to fund a strategic programme on energy technology. This is in response to the CO₂ emissions assessment. It will be a joint start to our joint energy policy. That is what the European Union needs.

Silvia-Adriana Țicău (PSE). – (RO) The only option available to us is not to produce less, but to make our production smarter and greener. It is important for us to reduce polluting emissions, but we also need to ensure economic development and preserve jobs.

Compared with the 8% reduction set by the Kyoto Protocol, Romania cut its greenhouse gas emissions by 43% between 1990 and 2005. This was unfortunately achieved through the restructuring processes implemented by heavy industry companies and in spite of dependence on fossil fuels. Although it would have been more advantageous to have 1990 as the reference year, I welcome the flexibility and solidarity shown to new Member States in the form of a transition period required for making considerable investments to make companies operate more efficiently.

We have obtained through amendments the allocation of free allowances for residential district heating and for heating or cooling systems based on efficient cogeneration, the provision of support for lower income families from revenues generated from auctioning emission allowances, and the exemption of hospitals and small installations from the emission certificates trading scheme. Thank you.

Chris Davies (ALDE). - Madam President, one of the achievements of these negotiations has been to establish a funding mechanism for carbon catchment storage demonstration projects and I shall refer to this later. But while I have been CCS negotiator, rapporteur, it has been through revision of the ETS directive that we have achieved success. I have been at best a back-seat driver. Sometimes you need luck and I think I have been lucky in having Linda McAvan, Lena Ek and others – shadow rapporteurs – on the ETS directive. I think I have been lucky in having a presidency that was open to explore new ideas and I have been particularly lucky in being able to work with Avril Doyle, the rapporteur for this legislation, who has achieved an enormous amount. I would just point out one thing, Mr President, which is that there have not been many rapporteurs in the history of this Parliament who have tabled an initial proposal that would at best have raised EUR 1.5 billion worth of funding and ended up with a package worth five or six times that much.

Bart Staes (Verts/ALE). – (NL) Madam President, the objective to emit 20% less greenhouse gases by 2020 has been safeguarded. We should not kid ourselves, though. This objective was already insufficient. Science tells us that we should aim for a reduction of 25% and even 40%. I regret that the system of auctioning has been undermined in the non-electricity sector. In 2020, we will still be handing out 30% free emission rights, while the 100% auction will not be a reality until 2027.

This is sending a really bad signal to those who are to discuss the world climate agreement at Copenhagen, even though the best answer to CO₂ leakage is, in actual fact, a worldwide agreement. No worldwide agreement means that the auction system will be further undermined on account of the fact that free emission rights will continue to be awarded to 96% of the companies. Lower proceeds from auction rights mean lower investment in sustainable energy and in research and development.

I should like to ask Mrs Doyle the following: do you have any insight into what the expected drop in profits of the auction will be now that this system has been totally undermined?

President. – I am very sorry, because of time constraints I cannot take any more. So we now go back to the rapporteur, the much-praised Mrs Doyle.

Avril Doyle, rapporteur. – Madam President, I should like to make a few quick points.

The environmental integrity of the excellent original proposal stands up, especially in a minus 30% scenario. There will be no point us going to Copenhagen with our legislation unless it is accompanied by serious funds next December – over to you, Commission.

The CCS agreement on 300 million allowances is possibly transformational in this whole debate on carbon dioxide reductions if the technology is proven through the 12 plants in question.

The agreement we have on the table now gives the EU a clear mandate to negotiate with third countries in the run-up to next year's agreement. We cannot afford to fail, as the finger of history will indict us for reneging on our responsibility as a generation of political leaders who knew the problem, who knew the peer-reviewed science, but failed to act.

For some my final report goes too far; for others it does not go far enough. But even with benchmark-free allowances, the reduction in targets will not be easy for industry. Let us not make the best the enemy of the good. This, considering all, is a good result. It is the best in the world, after all, as it is the only ETS in the world to date. I invite the US and Australia to do better and to embarrass us in the EU into upping our game in Copenhagen next year.

President. – The debate is closed.

The vote will take place tomorrow, Wednesday 17 December 2008.

Written statements (Rule 142)

Jorgo Chatzimarkakis, Wolf Klinz, Holger Krahmer, Alexander Graf Lambsdorff and Willem Schuth (ALDE), in writing. – (DE) Madam President, the agreement on the climate package is a modest result.

The EU has set a reduction target of 20% compared with 1990. We have already managed just under half the reduction. The keyword is expansion to the east, where emissions are lower in absolute figures, leaving a reduction target of 12% compared with 1990.

The EU should achieve 3% to 4% of the reduction in developing countries, leaving just under 9%. Targets can be missed by up to 5%. That leaves 4%.

Normally one should say at this point, good, how lucky, the EU has decided not to export its entire economy to Asia. The compromise is clearly cheaper than the Commission proposal. That allows the German Free Democratic Party (FDP) to agree.

Instead, the EU is now playing its own Member States off against each other; as a result of the energy mix, exemption rules and crafty negotiation, some Member States have an advantage over others. We could soon see German energy suppliers generating electricity in Poland rather than in Germany, unless they buy it from the French.

The fact that the EU Member States are engaged in such horse-trading leaves little expectation of a global agreement and the question of efficiency of resources also arises.

Governments, the Council and the EU Commission are called upon to provide for efficiency both for environmental protection and for the economy and growth.

Magor Imre Csibi (ALDE), in writing. – Last week, the Council and the EP negotiators reached a historic agreement on the climate change package. I welcome the compromise with a bit of a heavy heart as the package has been significantly watered down compared with the initial proposal of the Commission and the vote of the EP committees. At a time when urgent and consistent action is needed to tackle climate change, Europe opted for a slow transition to a low carbon economy by means of derogations and free carbon allowances. Despite these drawbacks, the compromise is an important breakthrough that will set the foundations of a more sustainable economy. The biggest achievement is the fact that the objectives and implementing principles are enshrined in legislation and everyone acknowledged the need to embark on a cleaner path of development. Furthermore, fighting climate change effectively can only happen if everyone is on board and this compromise gives the EU more bargaining power to bring the international partners on board. Last but not least, I will support the agreement because I truly believe that this is not a compromise of empty words but a compromise that can actually be achieved.

Daciana Octavia Sârbu (PSE), in writing. – (RO) The outcome of the negotiations on the climate package between the three institutions represents a balanced compromise which will help the European Union to make a significant contribution to the measures for combating global warming, given that it is the first group of states to assume this commitment as a legal obligation. We are facing a global financial crisis at the moment, which has stirred up fears in the majority of Member States with regard to the aim of reducing carbon emissions. However, the outcome we have achieved following the summit is a balanced agreement between the need to protect the climate and the need to overcome this economic deadlock. In my view, the use of arguments linked to this crisis must not prevent the package's adoption. I hope that all the political groups in Parliament will vote in favour of it. I am grateful that the countries which cut their emission levels between 1990 and 2005, including Romania, have had their efforts recognised with a modification to the scheme for distributing the income generated from auctions, without modifying the package's general structure. At the same time, I feel that most of the issues from the Emissions Trading Directive which caused Member States major problems have been addressed properly and that the final outcome has been fair and will allow the European Union to embark on a real mission to combat climate change.

Esko Seppänen (GUE/NGL), in writing. – (FI) The Emissions Trading Directive before Parliament is capitalist 'greenwash', and, despite that, is nothing less than casino capitalism and a legalised racket. As the Commission's original proposal has been recorded in such a way that European industry will not have to pay the price of speculation except in terms of the cost of electricity, I will vote in favour of it, even though I am opposed to emissions trading. I support emission targets, but we should have achieved them through taxes and not speculation.

12. Shared effort to reduce greenhouse gas emissions (debate)

President. – The next item is the report by Satu Hassi, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a decision of the European Parliament and of the Council on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (COM(2008)0017 - C6-0041/2008 - 2008/0014(COD)) (A6-0411/2008).

Satu Hassi, rapporteur. – (FI) Madam President, ladies and gentlemen, my sincerest thanks go to the shadow rapporteurs for their excellent cooperation. I also want to thank the Commission and the French Presidency of the Council of the European Union for all their efforts.

I have to say, however, that I am not completely happy. The EU ought to have shown strong global leadership with this climate package. Unfortunately, that leadership was badly watered down when the French Presidency referred the decision for consensus by the Member States. Almost every prime minister went to the summit with the intention, based on national interests, of watering down the climate package, and indeed managed to. The outcome is of course a step forward, but a much, much smaller step than science is advising us to take.

The biggest problem with the Effort Sharing Decision is that the Member States are allowed all too freely to neglect their emission reductions at home and compensate for it by financing projects in developing countries. In the worst case scenario, this can simply lead to the stabilisation of emissions at home and keeping things as they are.

The outcome of the negotiations nevertheless preserves the sound basic structure of the Commission's proposal: a linear development in emission reductions and binding annual ceilings for emissions, in EU legislation for the first time.

Furthermore, Parliament got through a number of important improvements that were based on the virtually unanimous report by the Committee on the Environment, Public Health and Food Safety. I will next mention some of these. The 30% emissions reduction target will now appear in the legal text, following the international agreement. Member States will have to start planning more drastic action on reductions in emissions right away, and will also have to report back on them. Member States will be given a clear incentive to remain within their legal limits for emissions, as exceeding the limit will result in increased cuts in the following year's quota. The quality criteria for Clean Development Mechanism (CDM) credits will be tightened up. After the international agreement, the EU will commit to helping developing countries to reduce their emissions in such a way that climate change is limited to less than two degrees. There will be a time limit for restricting emissions from shipping. If the International Maritime Organization (IMO) does not conclude an international agreement by 2011, the EU will take its own legislative action.

These are all major improvements and they are based on the demands of Parliament. Accordingly, I recommend support for the entire package in the final vote, although, on the other hand, I also support the amendments by my group and by the Confederal Group of the European United Left/Nordic Green Left to reduce the quota of CDM credits in a way that would guarantee that the majority of emission reductions would be made in Europe.

This decision, its good and bad aspects notwithstanding, means there will be wrangling in no uncertain terms about whether the EU should make emission reductions in a way that acknowledges the message of climate research and do so only after international talks on the agreement. Secondly, the decision means that it is the political responsibility of the Member States as to what volume of emission reductions should take place in Europe.

I appeal to the Member States not to outsource most of their emission reductions to developing countries, but to make green investments at home in public transport, railways and more energy-efficient buildings, and at the same time create 'green collar' jobs in Europe.

We have to remember that the earth does not make compromises. The planet's ultimatums are absolute, and it is the most expensive option of all to water down and postpone emission reductions.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Madam President, ladies and gentlemen, I would first of all really like to thank Mrs Hassi for the difficult work that has been done and, why not say it, for her sense of commitment, which has enabled us to converge towards what is most important.

Everyone is aware that on some issues she may have wanted the system to be more restrictive, but I think that, through this trialogue and codecision process, we have arrived at something that is now as perfect as it can be.

I have two points to make, first of all on the trajectory in terms of reductions, flexibility and penalties, which was particularly discussed during the trialogue at the weekend. This flexibility was necessary for certain Member States. Parliament wanted it to be accompanied by a strengthening of the corrective mechanisms, and I believe that we achieved this.

Secondly, the use of the Clean Development Mechanism shifted marginally, only for some States and only in some cases, particularly with regard to a number of territories that are really in the process of development: the least advanced territories or small islands. The debate, in my opinion, will remain open in each country,

and my feeling is that it is the general debate on Clean Development Mechanisms and the capacity to absorb them and direct them under good conditions, independently of this text, which is in question.

Finally, I would like to point out that, after Copenhagen, the decision to move to a greater level of commitment will be subject to the codecision process. I therefore think, Mrs Hassi, that the risk of being in a situation in which the text is revised downwards is not possible.

Stavros Dimas, *Member of the Commission*. – (EL) Madam President, I should like to thank and congratulate Mrs Hassi for her exceptional work and for her efforts to retain the basic principles and architecture of the Commission's initial proposal; in my opinion they have been retained in the compromise agreement on the Effort Sharing Decision. I must again stress that the environmental objective of reducing emissions of carbon dioxide in the European Union by 20% by 2020 will be achieved with the package and, of course, this decision will help to achieve our target. We have not compromised on achieving the targets.

Someone said earlier that this is a package of two parts. We can divide it into environmental targets – where there has been no change and which will be achieved as planned – and all other matters, including auctioning or whether investments can be made in countries outside the European Union, on which certain changes have been made without, however, altering the basic architecture of the package or the environmental targets.

Specifically as regards the decision, the national targets provided for in the proposal for the Member States have been retained as proposed by the Commission. The Member States will be called on to limit greenhouse gas emissions during the period from 2013 to 2020 in accordance with a linear function with binding annual targets. This will ensure that the Member States help in all sectors of the economy, on a pro rata basis, to achieve the European Union target of a 20% reduction by 2020.

One of the main problems in the debates on shared effort by the Member States was the need to strike a balance between the Member States in achieving their targets by taking effective monitoring and compliance measures, in order to ensure that the targets in question are implemented. The compromise agreement on effort sharing is balanced. It offers the Member States a satisfactory degree of flexibility so that they can achieve their targets in a financially acceptable manner, while at the same time applying a strong monitoring and compliance system. Moreover, the provisions proposed by the Commission for monitoring action by the Member States and the help provided to them when the necessary corrective measures are taken have been retained and strengthened.

This compromise agreement on the Effort Sharing Decision is an important achievement which would not have been feasible without assiduous effort on the part of the European Parliament, especially the rapporteur, Satu Hassi. I therefore call on you all to vote in favour of the agreement.

Cornelis Visser, *draftsman of the opinion of the Committee on Economic and Monetary Affairs*. – (NL) Madam President, we are pleased with the result of the climate package as it clearly reflects the position of the Dutch Christian Democrats (CDA) and the Group of the European People's Party (Christian Democrats) and European Democrats. It is important that Europe sets itself a goal of -20% by 2020 which can go down as low as -30% if an international agreement is reached.

What we should do, though, is make sure that it is introduced in equal measure throughout the Member States. We should, in other words, make sure that all Member States comply with the objective in the same manner. The reduction requirements have been laid down for all Member States individually. This results, in principle, in a fair distribution, and it is important, as before, to maintain these. If not, Member States will be given too many liberties. When one Member State observes the agreement and another does not, then there are risks of distortion of competition.

It is not just the climate that suffers, therefore. The competitive conditions for companies and industries between the different Member States are also adversely affected. In the report of the Committee on Economic and Monetary Affairs, I have asked that particular attention be paid to this aspect. The Committee must closely monitor compliance and, where necessary, prescribe additional requirements. We in Parliament will follow this closely.

Sepp Kusstatscher, *draftsman of the opinion of the Committee on Employment and Social Affairs*. – (DE) Madam President, the Committee on Employment and Social Affairs welcomes targets and measures that help slow down climate change and mitigate its effects.

I shall confine myself here to one social policy aspect: the prosperity of the so-called First World, over-production and excessive consumption – especially transport with massive use of fossil fuels – are the

main causes of the increase in climate-damaging greenhouse gases. On the other hand, it is the socially weakest and the poor who are most affected by the consequences of the climate disaster waiting in the wings. They do not have the means to adapt. Energy and food prices hit them much, much harder than they do the rich. Famines which already exist will worsen drastically.

We therefore need a global offence against hunger in the world. Our demand is for the burden of reducing greenhouse gas emissions to be divided in a socially acceptable manner.

IN THE CHAIR: MR MAURO

Vice-President

Robert Goebbels, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (FR) Mr President, the procedure chosen to discuss the energy and climate package has prevented Parliament from doing its work in a really democratic way.

An informal dialogue has produced a compromise that will have to be accepted. I remained convinced that a first reading would have enabled Parliament to impose better solutions on the Council, in particular with regard to transferring technology to under-developed countries.

The reductions in emissions need to be global, which means accepting the contribution of Clean Development Mechanisms, which are instruments that are recognised by the Kyoto Protocol.

The report by the Committee on the Environment, Public Health and Food Safety was unreasonable in many respects and came out of the fundamentalism denounced by President Sarkozy. The rapporteur had to beat a retreat and contented herself with 20 recitals. The report by the Committee on Industry, Research and Energy was much closer to the final result. The result could have been improved if Parliament had been able to work in democratic transparency.

The energy and climate package leaves a bitter taste in the mouth, because it was negotiated behind the scenes, without a real public debate.

Antonio De Blasio, *draftsman of the opinion of the Committee on Regional Development*. – (HU) The parliamentary Committee on Regional Development also engaged in lengthy debates on the proposal. The majority of our recommendations are directed at recognising that this objective touches on the core of the economic and social cohesion of certain regions, and therefore the reduction of carbon dioxide emissions can only be achieved successfully if it is integrated into the EU's cohesion policy. Considerations regarding the reduction of greenhouse gas emissions should also be built into the set of conditions for the support intended for structural development. Although the commitments of the European Union bind the governments of the Member States, they also place a considerable burden on local and regional governments, and on other local and regional representative fora and bodies within the Member States. The ambitious goals can only be achieved if, in the course of harmonising and implementing the tasks, there is ongoing vertical cooperation between central governments and local regional bodies, as well as horizontal cooperation between the various local regional bodies. What can give us reason to rejoice is that we have made a move, and in the right direction, but in addition to joint reflection, we need further to increase efforts in every EU Member State.

Péter Olajos, *on behalf of the PPE-DE Group*. – (HU) I am very sorry that the Minister is not in the Chamber, but my political group welcomes and supports the European Union's new climate and energy package, and the regulations it contains regarding the sharing of efforts among the Member States. According to the Group of the European People's Party (Christian Democrats) and European Democrats, this is a substantial step forward, since hitherto unregulated areas are now subject to regulation, and thus from 2013 every source of CO₂ emissions will be measured and regulated. The greatest virtue of this package is that, at my suggestion, there will also be a trading system in the area of 'effort sharing', thus making it possible, as in the case of the emissions trading scheme (ETS), to use market mechanisms to promote the reduction of carbon dioxide in this area as well.

The primary objective of the PPE-DE Group is to increase eco-innovation within the Union, in order that the EU economy may be the most competitive in low carbon emission technologies. Unfortunately, this has met with only partial success, since the Council and the Socialist Group in the European Parliament insisted on the excessive – ultimately 80% – use of Clean Development Mechanisms (CDM). This quantity of CDMs, together with the ETS, is worth a total of EUR 63 billion, which in my opinion is excessive. It is likewise unfortunate that, in line with the decision of the prime ministers, the legislative package demands two and

a half times the decrease in emissions from companies as from Member States, which under the current economic difficulties results in an especially unequal distribution of efforts, to the detriment of European industry. Member States have also been partial towards each other, failing to reward those who have fulfilled the commitments or to punish those who have undermined the Union's credibility on climate issues. At the same time, a trade in quotas can provide a significant resource for the Central and Eastern European countries that have already been performing well, enabling them to achieve further reductions in carbon dioxide in domestic and transport sectors with great potential savings. All in all, this directive fills a gap, and in spite of all its shortcomings it is of pioneering significance. With it, the European Union has embarked upon a long journey towards a low carbon emission European society, one that is sustainable from a climate perspective as well.

Edite Estrela, *on behalf of the PSE Group.* – (PT) I must start by warmly congratulating the rapporteur, Mrs Hassi, on the difficult work that she has completed and on the determination with which she has negotiated a compromise. I must also thank the Commission and the Council for their efforts. I should just like to comment on what the shadow rapporteur for the Group of the European People's Party (Christian Democrats) and European Democrats said. I accept that he feels uncomfortable within his group, but clearly the Socialist Group in the European Parliament cannot be the scapegoat.

This was not an easy process, but it was worth the effort if an international agreement can be reached on the legal commitment of the Member States to achieve a 30% reduction in CO₂ emissions. Parliament's proposals have also improved the original text. Long-term objectives of a 50% reduction in emissions by 2035 and between 60% and 80% by 2050 have been included. Reference has also been made to energy efficiency, the quality of CDM (Clean Development Mechanism) projects and the intention to help third countries reduce their emissions and adapt to climate change. A corrective action mechanism with a factor of 1.08 has also been included to penalise offenders more harshly. The agreement could undoubtedly be better, but the worst outcome would have been not to have reached any agreement at all.

The climate and energy package is an issue of the highest importance to citizens, the environment and the economy. As a result, we must welcome the agreement reached in the Council. The European Union has set a fantastic example, as recognised by Senator John Kerry in Poznań. In fact, with this agreement, the European Union has sent out a very positive signal to its other international partners. It has shown that it is continuing to lead the fight against climate change and that it expects the same effort to be made by the other parties. I hope that the European Parliament will tomorrow adopt this package, as the Socialist Group intends to do.

Johannes Lebech, *on behalf of the ALDE Group.* – (DA) Mr President, the many months we have just spent negotiating the climate package have been dramatic and exciting, and I would like to thank Mrs Hassi and the shadow rapporteurs for their constructive and open cooperation. It is good that we have achieved a result, even if, from Parliament's point of view, we would have liked it to have been rather more ambitious. Right from the outset we pushed for an ambitious climate package in order to be credible in Copenhagen. In particular, we fought against allowing the Member States to purchase too many CO₂ reductions outside Europe. They have obtained the flexibility to do this, but they do not, of course, have to use it. The flexibility mechanisms are intended to be seen as emergency measures and not as a means to achieve targets. We would also have liked more stringent penalties for Member States in order to ensure that we do not get to 2019 with some countries still being a long way from achieving their targets. Member States should be responsible and start making plans now for how they will reduce their greenhouse gas emissions outside the emissions trading scheme. They must create the necessary framework for low CO₂ growth by means of more efficient energy use and more sustainable forms of energy. The vote tomorrow marks the end of the preparation of a European climate package, but it is only one step towards better climate policy for the planet. The necessary work has now been distributed, the means for achieving the targets are in place and now the Member States must deliver. This requires political will and leadership. Remember: the climate package is the starting point for the negotiations that will take place in Copenhagen, where we absolutely have to reach an international agreement. In conclusion, I would like to remind you that the target for an international agreement is not the celebrated 20% reduction, but 30%, and this ambitious target is also written into the agreement that we will adopt tomorrow.

Liam Aylward, *on behalf of the UEN Group.* – (GA) Mr President, the governments of all the Member States were nervous when they were working on the single European financial system. It was a huge proposition and they were worried about the working procedure and about the results it would have. Now 320 million people use the euro system every day. Almost 10 years have gone past since its introduction.

Now all of the Member States are setting about implementing another immense proposal to protect the future of the environment. Everybody will have to be active within this proposal. We must all ensure that a balance is kept between the environment and the economy. Companies must be protected too, as there is a danger that they will move from country to country.

This challenge gives us the opportunity to develop green industrialism and to increase employment. From now on, all of the Member States must put more emphasis on research and development. I am very happy that attention has been given to Ireland's needs in relation to agriculture. This special arrangement will stand, even if another international arrangement is made. This arrangement will allow Ireland to negate its production of gas emissions by developing a forestry plan.

This national forestry plan is very important and is central to the Kyoto Protocol. However, farmers will also be protected and this is very important indeed.

Roberto Musacchio, *on behalf of the GUE/NGL Group.* – (IT) Mr President, ladies and gentlemen, speaking in this House today, President Sarkozy gave an honest account of the nature of the compromise on the climate package.

Effort sharing is part of this compromise. The point of any compromise is to see what develops, in what direction it is headed and whether it can meet the challenge. Looking at the scale of the environmental and economic crisis, we cannot help but be concerned that so much has been watered down. The way things are going, if we listen for instance to the words of the Italian Prime Minister, Mr Berlusconi, it seems as if there has been a desire to leave things the way they are, deceiving people almost: that is what lies hidden behind the so-called unanimity of the states that Mr Sarkozy spoke of. We know that Mr Berlusconi's words were propaganda, because that is not the reality of how things work with this package. On the contrary, much credit is due to Parliament, which has been not only more European, but also more advanced than the Council and the Member States.

The issue, then, is not just one of balance among the institutions, but of the dynamic among them. Parliament should be awarded a greater role precisely because we are in need of more democracy. For this reason, we will use our votes to demonstrate our loyalty to the parliamentary texts, and I would like to say before this House that the Committee on the Environment, Public Health and Food Safety has worked admirably to reach an advanced stage and that on this matter, contrary to what Mr Goebbels said, Mrs Hassi has been particularly skilful and effective.

Riitta Myller (PSE). – (FI) Mr President, I too wish to thank the rapporteur, Mrs Hassi, and all those who have been involved in the talks on this difficult directive.

Clearly, we also need strict, tenable targets for sectors not included in emissions trading, as these will help us to do a lot to ensure that we create an energy-efficient society.

Those sectors the directive applies to, such as construction, transport, agriculture and waste management, are those where we have an opportunity to develop new skills and expertise, and, in fact, they are already there to a large extent. If there is adequate regulation, these skills and expertise can also be utilised. In this sense, it was excellent that Parliament was able to add the words 'energy efficiency' to this directive in no uncertain terms.

Adina-Ioana Vălean (ALDE). – Mr President, I welcome the agreement reached last week on the climate change package and congratulate our rapporteurs and the French presidency for their efficiency.

It was important to keep our ambitious targets, but in the current economic turmoil we could not afford to impose an impossible burden on our industry and impede European competitiveness. This is why, in particular for the effort-sharing decision, I warmly welcome the flexibility granted to Member States to reach their targets while introducing corrective action instead of sanctions.

This has always been my position in the Committee on Industry, but I want to repeat it. Flexibility is needed and this is even more crucial when regulating new sectors and, before imposing stricter provisions, we need impact assessments.

I am also very satisfied that codecision was ensured in the case of a higher reduction target. It is a matter of principle. Our citizens did not send us here not to have a say in such important decisions.

Anni Podimata (PSE). – (EL) Mr President, Commissioners, Mr President-in-Office of the Council, the package of proposals on energy and climate that we are debating today does not exactly reflect the ambitious targets presented by the European Commission a year ago at the European Council's request. It also falls short of the recommendations made by the relevant parliamentary committees on several counts. Parliament's proposals – and I should like to take this opportunity to congratulate the rapporteur, Mrs Hassi, and everyone who contributed to them – were realistic, accommodating and, at the same time, ambitious, and reflected the European Union's commitment to maintaining and strengthening its leading role in global efforts to address climate change. The balance is not the same in the proposals that we are debating today, in that the compromise has limited the ambition, which is an absolute necessity for all of us citizens of the European Union. As regards Clean Development Mechanisms, the fact that these allow the Member States to offset most of the reductions they are called on to apply via credit works in third countries means that there is a risk of sending the wrong message in the run-up to Copenhagen.

Justas Vincas Paleckis (PSE). – (LT) Although the rapporteur presented her report with some pessimism, I think she did some excellent work. After all, the compromise now lets us know how much individual EU countries will have to contribute to the EU's obligation to cut by one-fifth greenhouse gas emissions causing climate change in specific areas.

Like other EU member States of the 21st century, whose GDP per inhabitant is not great, Lithuania will have the right to increase these emissions by 15%. The observance of quotas, however, will lay a great burden on both new and old EU countries. Therefore let us not forget that the cheapest and cleanest energy is saved energy. Directives on stable energy sources, fuel quality and the environmentally friendliness of vehicles must be implemented more strictly and with more attention to quality. It is also very important, especially for 21st century EU Member States, to increase funds allocated by the European Union to increase energy efficiency in apartment blocks.

Paul Rübzig (PPE-DE). – (DE) Mr President, I should just like to point out that the different situations in the Member States need to be taken into consideration, but on the basis of gross domestic product. In Germany, for example, a lot of coal is used for energy, while France relies heavily on nuclear energy. We need safety standards for atomic power plants throughout Europe and an independent regulator who will also issue the necessary provisions.

The objective of exempting small and medium-sized enterprises from up to 50 000 tonnes of CO₂ has still not been achieved. This is a major cause for concern, because small undertakings cannot handle the bureaucratic cost.

Carl Schlyter (Verts/ALE). – (SV) I would like to thank Mrs Hassi, as she has really done her best, but unfortunately the Council is not willing to cooperate. Unfortunately, we have a Council that closes its eyes to the fact that we in Europe must take our share of the responsibility for solving the climate problems. We cannot dump 80% of our responsibility for the climate outside our own borders and allow the world's poorest countries, when they implement their climate market, to pay dearly for their climate work, while we take the measures that are easy and cheap. This is colonialism in its worst form.

We need to reduce our own emissions by 70% to 80% if we are to achieve the climate targets. With this policy we will have to make do with 7% or 8% instead. This is completely inadequate and shows a total lack of solidarity. The question is whether future generations will not hold the Council of Ministers responsible in the International Criminal Court in the Hague for such an irresponsible policy that affects not only humanity but also the planet. Thank you.

Kathy Sinnott (IND/DEM). – Mr President, the climate and energy package, especially in the reduction of greenhouse gases, is hailed as a triumphant step and I agree that this effort reflects a strong will to tackle the issue of climate change. However, there is a move to criticise my country and New Zealand for the high level of emissions from agriculture.

Both have a small human population and a large number of livestock which skew the emissions figures. Do we not realise that Irish and New Zealand agriculture feeds the world far beyond its borders? Talk of forcing these countries to reduce their herds is crazy in terms of food security and climate change. These are the countries that raise their herds most sustainably based on grass. Instead we need to foster R&D to find ways – different feeding, different growth schedules – to reduce animal emissions where we can, not destroy the animals.

Charles Tannock (PPE-DE). - Mr President, European citizens are gravely concerned about the effects of climate change and support a low-carbon, clean energy provision for our future. It is therefore right that we send a strong signal to the Council of our common commitments.

However, the people we represent are also gravely concerned about the global financial crisis. For them, job security has certainly become a more pressing issue than global warming and renewable energy, at least for now. We cannot allow the state of Europe's economies, nevertheless, to push climate change off the agenda. Equally, we cannot further undermine our key industries and labour markets by taking hasty actions.

On the whole, I believe that this package – the 'triple 20' climate change package – reflects this dilemma and it reduces the risk that European industries will have to relocate abroad to less restrictive jurisdictions. The City of London, which I represent, is also very keen to trade carbon permits under the ETS.

Taking a common approach to addressing climate change is also at the heart of my party's approach to the European Union under David Cameron, who is our party leader, and hopefully the next Prime Minister of Britain.

Anders Wijkman (PPE-DE). – Mr President, there is a great weakness in the directive we are now discussing. By allowing such a high degree of flexibility through reductions in third countries, I wonder what the effects will be. Cost-effectiveness is an important principle and the compromise in front of us would be OK as proposed if the objective were to cut 20% of global emissions. Then it would make sense to do what is now being proposed.

However, science tells us that we have to reduce over the longer term by 80% to 95%. I do not understand how that will be possible if we postpone most of our efforts until 2020 and beyond. We need a thorough transformation of energy transport in industrial production, construction etc. By allowing 60% to 80% of reductions in the non-ETS sector in other parts of the world, this is not going to happen.

Satu Hassi, rapporteur. – (FI) Mr President, ladies and gentlemen, thank you for this debate.

As I said, this decision is a step in the right direction, even if it is a much shorter step than I would have liked. I support the decision, though I commented on the biggest problem that is still associated with it, namely flexibility.

Why is this lovely word 'flexibility' a problem? It would seem that many governments have not properly appreciated what the Intergovernmental Panel on Climate Change (IPCC) guidelines mean. According to the United Nations panel on climate change (IPCC), the industrial nations need to cut their absolute emissions by 25% to 40% by the year 2020. In addition, the developing countries have to reduce emissions by 15% to 30%, compared to normal levels. These figures refer to emission cuts in the territory of the countries concerned.

If we transfer more than half of our emission reductions to the developing countries, we will be raising the mandatory volume of emission cuts there to a level that will be physically impossible.

This concerns a massive lack of understanding, linked to the notion that transportation by car cannot increase forever, because a highly significant number of emissions covered by this Effort Sharing Decision are specifically due to road transport.

As I said in my initial speech, I hope that governments will shoulder their responsibilities more widely than this decision allows, and make investments in their own countries to reduce emissions. This way we will achieve lasting emission cuts and not the sort that have to be bought again every year from abroad. This way too we will create jobs in our own countries.

President. – The debate is closed.

The vote will take place on Wednesday 17 December 2008.

Written statements (Rule 142)

András Gyürk (PPE-DE), in writing. – (HU) By accepting the climate and energy package, the European Union has in fact committed itself to the struggle against climate change. The agreement that was successfully worked out over many months can without any doubt be considered of historical significance. At the same time, we cannot fail to mention that, on numerous points, the compromise bears within it the marks of inconsistency.

While the climate package has been through significant changes since the proposal was brought forward by the Commission, no solution has been found to the most obvious contradiction. That is, the directive accepted by the Council incorrectly designates the base year and thus papers over the efforts hitherto made by Member States with regard to harmful emissions. All of this sends the message that achievements to date count for nothing; new legislation will enable everyone to start with a clean sheet. This does not provide an incentive to decision-makers to take the necessary action, but rather to keep changing the rules.

We consider it unacceptable that the present proposal treats equally those who have considerably decreased their emissions and those who have even allowed them to rise. It is our view that the European Union damages its own credibility if it accepts regulations that do not take into account the achievement of the Kyoto commitments.

We think that laying down the European Union's ambitious goals for climate protection in legislation is a forward-looking step. Our happiness would be more complete, however, if the agreement had not turned into yet another reminder of double standards and inconsistency.

Zbigniew Krzysztof Kuźmiuk (UEN), *in writing*. – (PL) Mr President, Commissioner, in the context of the debate on actions to reduce greenhouse gas emissions I should like to draw attention to the following issues:

1. In accepting the year 2005 as the reference point for establishing the scale of carbon dioxide reduction, the new Member States agreed not to take account of the reductions of carbon dioxide achieved by ongoing industrial restructuring since 1990. In the case of Poland the rate of carbon dioxide reduction between 1990 and 2005 amounted to 30%. This was associated with huge social costs, notably an unemployment rate of more than 20%.
2. The commitment to a further 20% reduction by 2020 and, at the same time, to purchasing 30% of emission rights up to the year 2013, with a phased increase to reach 100% in 2020, will unfortunately result in significant increases in the price of heat and power for the population. It will also mean a significant increase in the price of energy for industry. Many energy-intensive areas of manufacturing such as steelmaking, the cement industry, lime and artificial fertilisers may cease to exist in those countries due to such price increases, with negative consequences for society.
3. If the United States and South-East Asia do not participate on the same terms as the EU in the carbon dioxide emissions programme that has been developed, the huge financial and economic effort by the EU will serve no purpose. The EU accounts for 14% of carbon dioxide emissions in the world, whilst the United States and South-East Asia account for more than 80% of these emissions.

13. Geological storage of carbon dioxide (debate)

President. – The next item is the report (A6-0414/2008) by Mr Davies, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a directive of the European Parliament and of the Council on the geological storage of carbon dioxide and amending Council Directives 85/337/EEC, 96/61/EC, Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC and Regulation (EC) No 1013/2006 (COM(2008)0018 - C6-0040/2008 - 2008/0015(COD)).

Chris Davies, *rapporteur*. – Mr President, the potential for carbon capture and storage technology to achieve vast reductions and abatement in CO₂ emissions into the atmosphere is something we simply must grasp. I have to say that the idea of storing CO₂ underground forever is not my ideal option. I would like us to move straight to a different age, one where our power comes from renewable, clean and green forms of energy. But we cannot ignore the reality of coal. China is getting 80% of its electricity from coal. It is soaring ahead with renewable energy programmes and, yet, it is also expanding its coal-fired power stations week in, week out.

In my own country there is a big argument about building one new coal-fired power station at Kingsnorth. The CO₂ emissions from that one power station will be the equivalent of those saved by every single wind-farm we currently have in the country. People will say: why bother with all these renewables, why bother with all these other things if you are still building coal-fired power stations in this way?

We have to develop CCS. The International Energy Agency says that by 2050 it could be responsible for abating up to 50% of the emissions that would otherwise take place on a business-as-usual scenario.

Now our number one concern in dealing with this legislation has been to deal with the issue of safety. Some of those concerns may be easy to exaggerate. After all, CO₂ is natural: we breathe it in, we breathe it out. We pump an explosive gas like methane into our own homes, where we set light to it. So, by comparison, CO₂ needs to be put into perspective. But we have tried to address the issue of leakage in this report, making clear that it is absolutely unacceptable if there was a risk to human health.

We have tried to improve the regulation, introducing clarifications to avoid contradictions and to speed up the application process, while emphasising that Member States are ultimately in charge of their own destiny. They decide whether or not CO₂ will be stored on their territory.

The Commission's initial proposals were good. I hope that Council, Commission and Parliament have collectively improved upon them. But there is not much point in storing CO₂ – or making provisions for the storage of CO₂ – if we are not capturing it in the first place. So we took on the challenge, over the past few months, of introducing a financial mechanism to drive forward construction of the demonstration projects promised by heads of government last year.

I have to say that at times it has felt like an uphill struggle. People were dubious about the proposal to use allowances from the New Entrant Reserve of the Emissions Trading Scheme. But we got there in the end, with the Council deciding last week to allocate 300 million allowances. How much that will raise depends on the carbon price. But I am told it could be anything from EUR 6 billion to EUR 9 billion of support for capital investment.

That is a major step forward – one of the real achievements of these negotiations. I think all my colleagues in this Chamber should be pleased that the proposal came initially from Parliament. It was on the Council's agenda because we placed it there. The presidency took it and, if not with enthusiasm, it at least accepted that it offered a solution to a very real problem.

Let us now go forward. Let us see these demonstration projects put out to tender as soon as possible. Let us see construction begin. Let us test this technology and let us pray that it works.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, I would first of all like to thank the rapporteur, Mr Davies, whose persistence has finally brought about what I believe is quite simply a success.

We can say that we are really there in terms of the European Parliament's major contribution. It is true that, at the start, the Council was not unanimous on the principle, or then on the amounts. The principle has finally been unanimously accepted by the Member States; a quite broad consensus was in favour of allocating around 100 million tonnes, or the counterpart or equivalent.

Finally, on this subject which, as the rapporteur was saying, is not a perfect or ideal solution forever, but which, according to the eight leading academies of science, is probably inevitable, we have a consensus for 300 million tonnes, or at least the monetary equivalent, which should enable us to establish a dozen demonstrators, as Commissioner Dimas, in fact the whole Commission, wanted. I think that we are in a process of codecision, convergence and consensus.

Stavros Dimas, *Member of the Commission*. – (EL) Mr President, the compromise agreement achieved on the capture and storage of carbon dioxide is highly satisfactory. I can say that it improves the initial proposal and retains all the key provisions of the Commission's proposal. The text makes provision for strict obligations for the storage of carbon dioxide, in order to safeguard a high standard of protection of the environment and of public health, without imposing any particularly heavy administrative or financial burden on companies.

On the question of financing, which was a particular concern of the European Parliament, as Chris Davis said, up to 300 million emission allowances will be made available from the New Entrant Reserve on the basis of the Emissions Trading Directive in order to develop innovative carbon dioxide capture and storage technologies and for innovative renewable sources of energy. This amount is expected to suffice for the planned construction and operation of up to 12 carbon dioxide capture and storage plants in the European Union. The outcome of negotiations on the proposed legal framework and on the financing of the carbon dioxide capture and storage plants will pave the way for environmentally safe technology, which will be able to make an important contribution towards reducing CO₂ emissions.

I should like to thank the rapporteur, Mr Chris Davis, once again for his efforts in achieving the compromise agreement in question. I call on you to vote in favour of this proposal and I should like to add, in response to Mr Davis's prayer, that, as the ancient Greeks used to say, God helps those who help themselves.

Françoise Grossetête, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (FR) Mr President, on behalf of the Committee on Industry, Research and Energy, I welcome the compromise that has been reached, which lays the foundations for the development of technologies to capture and store CO₂, while also defining a new regulatory framework that is going to establish the legal conditions for the permanent and safe storage of CO₂ underground.

We are in the realm of experimentation. We therefore need to give ourselves every chance to experiment with this technology and demonstrate how reliable it is. We have succeeded in providing the financial resources that were needed for the construction of 12 demonstration projects across Europe.

I therefore welcome the agreement on the 300 million emission allowances that have been obtained and I would like to take this opportunity to congratulate the two rapporteurs, Mr Davies and Mrs Doyle. The good coordination established between them made it possible for that result to be achieved.

If carbon capture and storage technology becomes commercially viable, it could also be proposed to third countries, such as China, India and so on, and this technology should also enable the European Union to play a leading role at global level in the wide range of clean, efficient and low carbon emission technologies.

Once we have covered the necessary ground in terms of experimental research, we will be able to make this technology compulsory for a number of power stations.

Karsten Friedrich Hoppenstedt, *on behalf of the PPE-DE Group*. – (DE) Mr President, the entire debate and report on carbon capture and storage (CCS) are a small cog in the huge machine of the climate package, but nonetheless a very important and essential cog, because CCS could be used as a transitional technology for the next 50 to 80 years. The results of the vote in the Committee on the Environment, Public Health and Food Safety were on the whole positive. Chris Davies tabled a good report here and our position was very well represented at the trialogue.

However, from the outset I was against setting emission limit values as early as 2015, and that is what has now been decided. This would have resulted in the compulsory introduction of CCS, before the results of the demonstration project had even been presented. Had we done that, then we would have worked away from coal toward gas-fired power stations.

The introduction of CCS technology, as we have already heard, depends on the finances. Avril Doyle has set a pugnacious tone here. I have no wish to reiterate the figures; they have already been reiterated. The question of course is when we can start, because the emissions trading scheme has to start at the times stipulated; it cannot start immediately. I think it is also important for highly-efficient plants with CCS capability to be promoted by the Member States up to 2016 with 50% of the total investment.

The transfer of responsibility following the closure of storage sites has now been set at 20 years, which is also very positive. As we have just heard, with China we have a factor which is set to use coal for about the next 50 years, or so it is estimated, for at least 60% of its energy requirements. As far as further technological developments are concerned, India, South Africa, Australia, America and Russia also want to use these technologies. That gives Europe an opportunity to invest and further develop this technology for the good of CO₂ capture and storage.

Evangelia Tzampazi, *on behalf of the PSE Group*. – (EL) Mr President, Commissioner, ladies and gentlemen, the technology for capturing and storing carbon dioxide in geological formations is a tool in the fight against climate change. During the negotiations, the Socialist Group of the European Parliament worked on and achieved improvements and additions to the Council's proposals. Our objective is to have a cohesive legislative framework for the environmentally safe use of carbon capture and storage technology, so that there is no adverse impact on public health or the environment. Our basic political priority is and must continue to be to increase energy efficiency and to strengthen renewable sources of energy. This agreement we have arrived at is a medium-term option. I call on all my fellow Members to support it.

The basic points of the agreement are, first of all, an undertaking to examine the imposition of limits on carbon dioxide emissions on all new power stations during the first review of the directive, the adoption of a mechanism to finance the cost of monitoring and of restoring possible damage, the mandatory opinion

of the European Commission on storage licences, risk analysis and evaluation for clean electricity, stronger monitoring requirements for storage sites, the submission of reports, the repair of possible leakage and, finally, the creation of a clear framework of responsibility for operators during the operation of the site until such time as responsibility is transferred to the national authorities. We have done our part, now God can do his.

Anne Laperrouze, *on behalf of the ALDE Group*. – (FR) Mr President, as much as I support the idea that the European Union should encourage the development of demonstration plants for CO₂ capture and storage, I also have doubts about the development of these technologies on a large scale to combat climate change. I am particularly concerned about the significant development of coal-fired electric plants on the pretext that, in the long term, we will know how to capture and store CO₂.

We must, in my opinion, remain very cautious. My concern is increased by my disappointing assessment of the energy and climate package. We have confirmed the ambitious targets in order to show the whole world that Europe has engaged in an ambitious process of combating climate change. However, when we examine the content, in other words the tools that will enable us to reduce emissions of greenhouse gases, I have the feeling that it will not be possible to achieve the targets in 2020 due, for example, to the climb-down on vehicle emissions and derogations for energy producers in particular.

What is left for achieving the targets in 2020? Carbon storage, the development of new clean technologies? Too soon. Fortunately, what remains is the involvement of European businesses and citizens, who are certainly more prepared than the politicians who are governing them to commit to saving energy, using green energy and converting to new modes of transport. We still need to give them the means to do so.

Kathalijne Maria Buitenweg, *on behalf of the Verts/ALE Group*. – (NL) Mr President, my group started the negotiations full of enthusiasm, because we wanted to secure good conditions for carbon capture and storage. CO₂ is better off underground than in the atmosphere. The question is whether the present result of the negotiations would benefit the environment. We do not believe that it would.

It is unfortunate that Mr Davies was not the rapporteur for the Emissions Trading Scheme Directive, for his persistence with regard to financial incentive measures would have been fitting. When he did decide to join in the game of chess on the board of emission rights, though, he appeared willing to sacrifice many pawns, including, in the end, his king, on his own chess board.

Accordingly, no maximum CO₂ emission value has been agreed upon for new power plants. What was said, though, is that the power stations must be capture-ready. What does that mean? After all, without a definition, all we need is space the size of a football pitch. The upshot of this report is that no single restriction is stopping the development of ever more and exceptionally polluting coal-fired power stations, in which case the football pitch serves as a fig leaf for a distant future.

I should like to congratulate the rapporteur, though, on the introduction of a 20-year liability period and a fund which will finance the monitoring of closed sites for 30 years. This is offset, however, by the fact that this directive does allow CO₂ to be pumped into the ground in order to recover more gas and oil, a process known as enhanced oil recovery. This is a very bizarre element of the climate package, because this process ensures, naturally, that more CO₂ is emitted. Thanks to the Davies Fund, therefore, oil companies can now benefit from incentive measures for carbon capture and storage (CCS) to use, and exhaust, their oil fields for longer.

Shell will be satisfied, the environment will not. That is why my group will be voting 'no'.

Bairbre de Brún, *on behalf of the GUE/NGL Group*. – (GA) This is a critical point in the fight against climate change. Now there is a legal framework in place to help countries move from the dirty economy and look forward to a cleaner future. No matter what faults there are in some aspects of the package, it is now time for the European Union to get to work.

Capturing and storing carbon cannot be thought of as a 'magic bullet' that will achieve climate targets. Priority should always be given to renewable energy. The technology is not fully formed as yet but there is every chance that we will have to depend upon it as part of our coordinated action against carbon emissions.

I welcome Chris Davies's report and thank him for the work he has done. This report lays down rules which are firmer and clearer in different ways than the ones that were recommended by the Commission, although we did not receive everything that we needed.

I am satisfied to co-sign on behalf of the Confederal Group of the European United Left/Nordic Green Left and I ask my colleagues to vote in favour.

Hanne Dahl, on behalf of the IND/DEM Group. – (DA) Mr President, it is a shame that the climate plan has been watered down so much after the Council meeting last week. It now most resembles industry's dream plan. It will provide the opportunity to indicate good intentions at a symbolic level, but on a practical level very little will happen. The idea of storing CO₂ underground is totally absurd. CO₂ is a pollutant whether it is in the air or under the ground. We cannot base our efforts to protect the climate on hiding pollution away for future generations. The proposal on the table is even based on a non-existent technology. Uncertain forecasts indicate that it will be developed by 2015 at the earliest, perhaps as late as 2020, and, furthermore, it reduces energy efficiency, which is directly contrary to the general objectives of the climate plan. Bridging technology in this context means that money will be invested in something that has no future, money that could instead be used to develop the renewable energy sector. I hope we vote against this.

Norbert Glante (PSE). – (DE) Mr President, ladies and gentlemen, CO₂ is not poisonous, nor is it explosive, but CO₂ does have one unpleasant property: if it gets into the atmosphere in large quantities, our climate changes, which is why carbon capture and storage (CCS) technology is an important bridging technology.

In this respect, Mr Hoppenstedt is right; it is a bridge for the next 50 to 80 years. It is not the *non plus ultra*, but it is one part of the solution to our problems. I think we have found a good compromise, at least in terms of the link to the emission trading scheme. The emission trading scheme guarantees that resources will be made available for CCS, and CCS also guarantees that we shall make headway in reducing CO₂ and shall be able to achieve our targets.

I think that, alongside efforts by industry to construct this demonstration plant, the Member States need to make an effort to get national legislation transposing this directive under way. Above all, we all need to pursue clarity, for public opinion and for industry, in order to allay people's fears about CCS. CCS is not a dangerous technology; it is a helpful technology.

Jill Evans (Verts/ALE). – Mr President, carbon capture and storage has become a central feature of this debate on fighting climate change and I am certainly also in favour of exploring and developing this technology. If it is successful it will one day have a significant role to play, and we do need a strong legal framework to make sure it is properly regulated.

But CCS cannot be used as an excuse to carry on building more dirty coal plants, which will produce more CO₂. The only way to move forward with CCS research without allowing this to happen is by adopting a clear emissions performance standard and that is why the Verts/ALE Group has tabled an amendment to control the level of emissions from new fossil-fuel power stations. In other words, only the most efficient power stations could be built, whatever the fuel, and it was the inclusion of this clause which was the essential motive for our group voting for this in the committee.

We are disappointed that many other good points included by the committee have been lost during negotiations, including stronger liability and monitoring, transport and the exclusion of enhanced oil recovery.

There has been tremendous pressure to come to a conclusion on this, but it has to be the right conclusion, and for us that certainly means including an emissions performance standard.

Adam Gierak (PSE). – (PL) Mr President, the imposition of uniform emission limits after 2015 for all fossil-fuel power plants is a mistake. Indeed, in the case of coal-fired power plants this 500 g CO₂/kWh limit is technically unachievable. It amounts to a *sui generis* moratorium on the construction of new coal-fired power plants. Perhaps that is what this was actually all about, hence the rejection of the benchmarking method. The investors are impatient, because new-build construction takes many years and is very expensive. The countries most dependent on coal should therefore start acquiring experience in the area of carbon capture and storage (CCS) as a matter of urgency.

This requires immediate financial support, and I have a request to make of the Commissioner in that regard, given that income from emissions trading will arrive too late. Two or three experimental CCS facilities should be built on the territory of Poland immediately. This involves the integrated conversion of coal, of energy from coal into electrical energy linked to cogeneration and the production of hydrocarbons, followed by geological storage of the CO₂ if required. Only then can the wise 3x20 objective be achieved.

Silvia-Adriana Țicău (PSE). – (RO) On the subject of the geological storage of carbon dioxide, we are discussing the possibility of testing this new technology during an initial phase.

The Commission intends to implement 12 pilot projects during an initial phase. The Council has proposed allocating 300 000 000 emission allowances to finance the demonstration projects. Parliament has called for a reduction in the risk to the environment and human health caused by using this new technology, for a stringent legal framework to be established for testing and promoting projects involving the geological storage of carbon dioxide, and for the provision of the financing for the demonstration projects.

I believe that the safety of these storage sites is extremely important. However, the level of safety when transporting the carbon dioxide to these sites is just as important. The competent authorities in every Member State need to implement emergency evacuation plans if a carbon dioxide leak occurs. In addition, special measures need to be adopted and financed when such sites are closed down.

Avril Doyle. – Mr President, I agree that we cannot ignore the reality of coal and the size of reserves and the dependence on coal in many Member States and across the world: Russian, China, Australia, the United States. As we drive renewable technologies, carbon sequestration technologies must go hand-in-hand.

The Commission's proposal of two years ago of up to 12 CCS plants had awaited funding to date. I was very pleased with the agreement in relation to my report on 300 million allowances for driving the potential of this technology. My original, rather modest proposal, using the generous new installations reserve, was so enthusiastically supported by Mr Davies and other colleagues that I amended my own report with significantly higher figures.

Thank you to the presidency, thank you to the Commission, thank you to Mr Davies, Ms McAvan and colleagues for your support on this point.

As we rapidly exhaust our planet's capacity to absorb CO₂ through biological sequestration, we look to our own ingenuity with new sequestration technologies, particularly the potentially transforming technology of CCS, if through these 12 projects the environmental integrity and commercial viability of these processes is proven.

Claude Turmes (Verts/ALE). - Mr President, there is a risk that carbon sequestration will become a sort of poltergeist in regaining public acceptance of the building of dirty coal power stations. Why? Firstly are you aware that the best ever CCS power plant, which we rebuilt, will have around 150 to 200 g of CO₂? This is more than existing gas CHP power plants today; more than today's existing technology with gas CHP. Secondly – and, Mr Davies, that is really what you have to judge for yourself – in Parliament's position we had a cap on CO₂ emissions, which we lost.

So now we are in the situation that we lost the cap and we have a 15% subsidy under the ETS regime for new coal power stations, for example in Germany, between 2013 and 2016. Thus the economics of building conventional coal power stations remain acceptable and I do not know how that fits in with aggressively combating climate change.

Vladimir Urutchev (PPE-DE). – (BG) I would like to add my congratulations for the fine job that has been done by the rapporteurs, negotiators and the many people who were involved behind the scenes and who made a contribution so that today we can have our final debate on the energy and climate package.

There is no doubt that this package will have an impact not only on the energy sector in the European Union, but also on industry as a whole and on transport. These sectors need to become even more low carbon, but the time for this is running out. Thanks to the efforts of the French Presidency, we have achieved the necessary compromises.

I cannot end without highlighting the fair way in which the interests of Central and Eastern European countries have been taken into consideration. I would like to appeal to the Commission by suggesting that one of the 12 projects should be in Bulgaria.

Czesław Adam Siekierski (PPE-DE). – (PL) Mr President, effective and innovative solutions are called for in the context of implementing the ambitious content of the energy and climate package.

I believe that, at present, carbon capture and storage (CCS) technology is the appropriate way to neutralise the greenhouse effect in a relatively short time. At the same time, however, we must not overlook the potential risks involved in CCS. For instance, it has been shown that incorrectly stored gas can explode. In addition,

should the storage containers leak, there is a danger that the water table would become acidic, and this would threaten human health. It is therefore essential to take steps to eliminate or at least minimise dangers of this nature when planning and implementing such ventures.

I believe that the system of geological storage of carbon dioxide is possibly the best solution in the current context. For it to be successful, however, it is essential to convince the countries responsible for most of the damage to adopt it. I refer to the United States, China and India, for example. Not only are these countries failing to close coal-fired power stations, but they are also building more at an alarming rate.

Rebecca Harms (Verts/ALE). – (DE) Mr President, I should like at this point to remind the House of an issue raised at the world climate conference in Poznań, because the commitment with which a technology that does not even work yet is being canvassed seems absurd to me. At the same time, if we were to take consistent action against massive deforestation in the countries in the south, we would have huge potential for capturing CO₂, far greater than we can ever achieve with carbon capture and storage (CCS). If we want to capture CO₂, then stopping deforestation and logging in the rainforests should be pursued with far more commitment than we are currently showing in this euro-centric CCS debate.

Chris Davies, rapporteur. – Mr President, when I became Parliament's rapporteur I resolved to go beyond my brief and try and accelerate the development of carbon capture and storage technology. The Committee on the Environment, Public Health and Food Safety adopted a twin-track approach: one was to put in place a financial mechanism to support the construction of demonstration projects, and the second was to introduce a regulatory means of preventing the construction of the dirtiest power plants by means of an emissions performance standard. Both proposals were initially opposed by the Commission and the Council.

One good argument against the introduction of emissions performance standards at this time is that CCS technology first needs to be tested and proven.

I think Parliament can be pleased that it has at least achieved one great step forward in putting in place a financial mechanism which will bring forward the demonstration projects. I remain convinced that we will eventually need an emissions performance standard.

But I thank Madame Grossetête and the shadow rapporteurs for the help they have given me in achieving the progress we have made. To the critics of carbon capture and storage technology, I say this: just get real! Just look at the world as it is, the enormous quantities of coal being used and the fact that the International Energy Agency is predicting a 70% increase in coal use over the next 20 years.

We need to develop this technology. I do not want it – it is not my ideal – but we need to develop something that can deal with emissions on this massive scale.

CCS technology may provide us with a huge weapon to help us win the fight against global warming. We need to take it forward. We cannot afford for one second to ignore its potential.

President. – The debate is closed.

The vote will take place on Wednesday 17 December 2008.

Written statements (Rule 142)

Gyula Hegyi (PSE), in writing. – (HU) The geological storage of carbon dioxide is undoubtedly an exciting technological challenge. We must not forget, however, that in the interests of protecting the environment and limiting climate change, we will ultimately have to reduce the emission of greenhouse gases. That is, we need to limit our use of fossil fuels rather than try to find alternatives for storing the emissions underground. This technology is, moreover, rather expensive. So far only Norway has succeeded in introducing it on an industrial scale and, according to estimates, such storage could cost as much as EUR 100 per tonne. No doubt that amount of money could be spent more usefully, for instance on supporting renewable energy. It would be particularly inappropriate if Community funds were to be used to finance research being conducted in the wealthiest Member States. If the geological storage of carbon dioxide were really as good a solution as its advocates claim, then it should be capable of surviving in the market, in open competition.

14. Monitoring and reduction of greenhouse gas emissions from fuels (road transport and inland waterway vessels) (debate)

President. – The next item is the report (A6-0496/2007) by Mrs Corbey, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a directive of the European Parliament and of the Council amending Directive 98/70/EC as regards the specification of petrol, diesel and gas-oil and introducing a mechanism to monitor and reduce greenhouse gas emissions from the use of road transport fuels and amending Council Directive 1999/32/EC, as regards the specification of fuel used by inland waterway vessels and repealing Directive 93/12/EEC (COM(2007)0018 - C6-0061/2007 - 2007/0019(COD)).

Dorette Corbey, rapporteur. – (NL) Mr President, Commissioner, ladies and gentlemen, tomorrow marks the end of a long process. I extend warm thanks to the shadow rapporteurs, all members of staff, the Commission and the French Presidency for their efforts, their work and their willingness to cooperate.

Tomorrow we will be able to approve a deal at first reading and in doing so give the green light to a special directive. For the first time, CO₂ requirements will be linked to a product and to a production process. Parliament has committed to further improving the directive.

The directive will positively encourage the use of green and non-reprehensible biofuels and the use of electricity in road transport – something which can lead to enormous efficiency savings – and it will discourage the practice of burning off methane gases. These are wonderful results, proving that Europe is taking the sustainable route.

Let us go back to the beginning, though. The fuel quality directive has two objectives: air quality and a reduction in CO₂ emissions. In terms of air quality, there are three improvements on the original proposal. First of all, cleaner fuels will be introduced sooner in shipping. As for the second point, the exemption for ethanol, the Commission suggested increasing the maximum vapour pressure when ethanol is admixed. This has been the subject of much debate. The southern countries in particular would like to see exemptions for the admixture of ethanol, but it is precisely these southern countries that suffer from the problem of harmful ozone. The compromise that was struck is that an exception will only be allowed if the air quality requirements are met.

A third point concerns methylcyclopentadienyl manganese tricarbonyl (MMT), a fuel additive that is harmful to health and to cars alike. It should therefore be banned, one would be inclined to think. Unfortunately, that is not a simple thing to do on account of World Trade Organization rules. That is why a limit value has now been laid down, which clearly benefits health and helps reduce neurotoxic substances.

I should now like to move on to the second key objective, namely the reduction of greenhouse gas emissions. As I said a moment ago, this is where this legislation has been greatly improved. For the first time, the specific CO₂ requirement will be linked to the production process. In the next few years, the oil industry will be required to report on the level of greenhouse gas emissions caused by oil extraction, transport, distribution, refining and the use of diesel or petrol. A standard value is then established on the basis of this well-to-wheel analysis. Moreover, the entire chain will have to emit 10% less by 2020.

Needless to say, we have discussed this 10% objective in great detail. Six per cent of it is binding, and part of it can be achieved by improving efficiency in the entire chain, with less burning off, more efficient refineries and repairing leaks. Another part can be achieved by using biofuels, provided the most efficient kind is used. The cultivation of biofuels which, on balance, are only slightly better is of no value to us. We would be taking an enormous step backwards if we felled tropical forests in order to cultivate biofuels.

We need to have strict sustainability requirements in place, therefore. These requirements have now been included in the directive. They cover CO₂ efficiency, biodiversity, but also social criteria. The remaining 4% of the 10% reduction is not binding in the first instance. This 4% is, in turn, made up of two components. Part 1 concerns the Clean Development Mechanism (CDM) projects in the chain. Burning off less gas is one of the most efficient ways of reducing greenhouse gases, but is not always traceable to the petrol or diesel that is placed on the European market. That is why CDM projects are allowed, subject to verification.

The other 2% relates to new technologies, for example carbon capture and storage (CCS) and also electricity in road transport. Electricity is promising, but the technology must prove its worth before it can be applied commercially on a large scale. This should be clear by 2014, which is when the indicative objectives can become binding.

All in all, I take the view that this directive will make a considerable contribution towards reducing CO₂ generated by road transport. It is good to know that this is in line with the choices that are now being made in the United States. California's Low-Carbon Fuel Standard is being copied throughout the United States.

I should once again like to thank the shadow rapporteurs for their contribution and for the excellent group effort, and I look forward to the debate.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, I should like to congratulate the rapporteur, Mrs Corbey, on her work, which is very complex from a technical point of view, but at the same time absolutely essential for the future of emissions.

A compromise has been reached on the 6+4, to put it simply. Six immediately binding and four in the context of a periodic review clause. There are also advances, in particular on the sustainability of biofuels in the renewable energy directive itself, which we felt were essential and minimal. However, I think that we have reached a very good compromise, for which I would also like to thank the Commission.

Stavros Dimas, *Member of the Commission*. – (EL) Mr President, the Commission welcomes the agreement on the fuel quality directive, which retains the main elements of the Commission's proposal, but which is an important step forward in the environmental protection sector. I should therefore like to thank the rapporteur, Dorette Corbey, for her part in achieving the final agreement. The basic element of the compromise agreement is the obligation which energy suppliers will have to limit emissions of greenhouse gases during the entire lifecycle of fuels. This is an important contribution to our climate policy. It will promote technological progress and, at the same time, it is the first of the supplementary measures being approved which is provided for in the framework of the revised strategy on emissions of carbon dioxide from cars.

By incorporating sustainability criteria for biofuels, not only shall we offer incentives to use the biofuels with the best performance in terms of emissions of greenhouse gases, we shall at the same time also prevent the serious environmental dangers connected with their production. Furthermore, the compromise agreement will allow emissions of pollutants to be reduced, mainly by adopting lower limits for sulphur and polycyclic aromatic hydrocarbons, facilitate the use of ethanol, improve information for consumers and establish a relative limit for the additive MMT (methylcyclopentadienyl manganese tricarbonyl). In short, the compromise agreement falls within our traditional policy of controlling emissions of pollutants into the atmosphere and is an important step forward in our climate policy. I therefore call on you to vote in favour of the agreement tomorrow.

Pilar Ayuso, *on behalf of the PPE-DE Group*. – (ES) Mr President, Commissioner, this was a good proposal in the form in which it came from the Commission, not only because of the sulphur reductions but also because of its new Article 7a, which demanded a gradual reduction in greenhouse gas emissions from suppliers, and because it resolved the old vapour pressure problem for petrol-bioethanol mixtures in countries such as mine that have hot summers.

This was filtered out in the vote in the Committee on the Environment, Public Health and Food Safety, to the concern of many of us.

Today we have an agreement on the table which softens the application of Article 7a and restores the vapour pressure waiver, while of course toughening the conditions for making use of the derogation. As with the rest of the climate change package, not everyone will find it wholly satisfactory, but it is something that everyone can accept.

I would like to thank Mrs Corbey for her excellent work and her receptiveness in solving problems, and I would also like to thank Mr Turmes and, of course, the French Presidency, which has shown itself to be highly effective in this area as well.

Marios Matsakis, *on behalf of the ALDE Group*. – Mr President, many of us at last are beginning to realise that our planet is not indestructible and that it indeed has an expiry date which we humans, through our not so wise actions, are bringing drastically closer. There are of course still some doubting Thomases, not least in our own House, but the number is fast getting smaller, as they overcome the limitations of self-imposed extreme dogmatism, or free themselves from third-party, sometimes suspect, manipulations.

The EU should be, and is, at the forefront of the fight to save our environment, and the series of pieces of legislation aiming at combating climate change which are currently being debated in Parliament are very welcome proof of this. But to be truly beneficial such legislatures must be substantive and be implemented

effectively and in good time. As always, some compromises have to be made and this has been the case also with the Corbey report on monitoring and reduction of greenhouse gas emissions from fuels.

It has to be said that the rapporteur has put up a very enviable and sustained fight to counteract the watering-down effects of the Council positions and to a large extent, I believe she has been successful. For this achievement, I congratulate her. It has to be said also that during the hard negotiations the rapporteur kept all shadows regularly and fully informed and thus the resulting cooperation was such that it gave Mrs Corbey a strong hand at the negotiating table.

The compromise package achieved deals, satisfactorily enough under the circumstances, on most controversial issues involved, such as biofuels, metallic additives and the sulphur content of some fuels, and my group fully supports it.

Neil Parish (PPE-DE). - Mr President, first of all I would like to thank the rapporteur, Mrs Corbey, and the French presidency for their tremendous efforts in securing agreement on this ground-breaking dossier as part of the fight against climate change. I would also like to pay tribute to Joseph Daul, whom I am replacing, for his hard work in drafting the opinion of the Committee on Agriculture and Rural Development on this Corbey report on fuel quality.

Ultimately, the agreement reached on this report, and the closely linked Turmes report on renewable energy, are ones which we in the agricultural world can be very satisfied with. I believe that there is a future for the sustainable biofuel industry and that these two directives provide the necessary legal framework for the industry to develop to allow in the future a transition to more second-generation biofuels. I welcome the fact that we are now committed to a target of a 20% share of renewable energy in the EU overall energy mix. I very much welcome this report.

Claude Turmes (Verts/ALE). - Mr President, first my congratulations to Mrs Dorette Corbey. It was crucial for me, as rapporteur for the Renewables Directive, that we work closely together to get the sustainability criteria well enshrined, and enshrined in the same manner, in the two directives. Thanks to Mrs Corbey's combativeness, we in the end ensured that in the Fuel Quality Directive there is full duplication now of all the details of the sustainability criteria and that is important for the readability and the visibility of EU legislation.

On this issue of sustainability criteria, I think we now have major improvements on what the Commission proposed. The carbon footprint is now very well defined, not only for direct but also for indirect land use. That is crucial for the future. I think we have also made sure that environment and energy experts – DG TRAN and DG ENVI at Commission level, but also at the national level experts from the environmental and energy sectors – will work together on these sustainability criteria, and that too is crucial.

Kathy Sinnott (IND/DEM). - Mr President, much attention is currently being focused on the technology side of mitigating the effects of climate change through the development of alternative fuels. I express my congratulations on this effort and would like to contribute to this debate.

I would like to call attention to algae oil, which can be converted to a fuel as a replacement for fossil fuel oil. It can be considered a win-win type of fuel because it absorbs CO₂ throughout its production therefore making it a carbon positive source of energy. What is more, contrary to increasingly controversial biofuels, it does not displace food production. Indeed, it can be grown in natural ponds or artificial structures. It is also win-win because it is particularly suitable for production in coastal communities, where the trouble in the fishing industry is making it necessary for us to find new industries.

Given these facts, I urge the Commission to take algae oil very seriously. It also has the advantage of being a high-energy, low-weight fuel and one of the few that promises to be able to replace rocket fuel and air fuels.

Dorette Corbey, rapporteur. - (NL) Mr President, representatives of the Commission and Council, ladies and gentlemen, thank you for your kind words. I truly believe that the good working relationship we have enjoyed with each other is responsible for the outcome. Only if we join forces can we be strong, and it worked in this case. It is crucial for the fuel quality directive to be viewed in the context of the whole climate package.

First of all, the Turmes report is important in this context, of course, with the renewable energy directive. We share the same sustainability criteria which, to my mind, will make a vital contribution worldwide. It is extremely important, in my view, that tomorrow we should be laying this down together.

I share Mrs Sinnott's enthusiasm as regards algae oil. I am, in fact, just as thrilled about it as she is. The beauty of this fuel quality directive is that it is precisely the new technologies that are given an enormous boost, which can be a real incentive for the development of algae technology. In principle, during the production of algae oil, there is far less CO₂ involved, and that is why it is so attractive for oil companies and others to invest in precisely these technologies.

In the context of the climate package, it is also extremely important for a link to be made with the next report, the Sacconi report on new passenger cars. We have specifically fought for electricity to be included in this directive. Electric cars are the future. Electricity in road transport is many times more efficient than the use of petrol or diesel. We should therefore really move towards this.

I notice that Mr Sacconi's report contains a number of incentives in that direction, and this is how we can solve the chicken and egg dilemma. The right incentives must be given to both the car sector and the fuel sector in order to truly achieve cleaner road transport and cleaner fuels. I hope that, with these components of the transport climate package, we can, in any event, make a positive contribution towards reducing greenhouse gas emissions. I should once again like to thank everyone for their cooperation.

President. – The debate is closed.

The vote will take place on Wednesday 17 December 2008.

15. Emission performance standards for new passenger cars (debate)

President. – The next item is the report (A6-0419/2008) by Mr Sacconi, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a regulation of the European Parliament and of the Council setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles (COM(2007)0856 - C6-0022/2008 - 2007/0297(COD)).

Guido Sacconi, rapporteur. – (IT) Mr President, ladies and gentlemen, we have 'saved the best for last', as they say. This report was the first to be finished, exactly two weeks ago, and strangely enough it is the last to be debated.

First of all and quite sincerely I must thank everyone who has worked on this report, particularly the delegation, among many, from the French Presidency. I too would like to mention Mr L glise-Costa, who led this initiative with great professionalism. Together we have found an intelligent solution to the issue, at perhaps the most difficult time imaginable, that is to say when the motor industry is in the throes of an appalling crisis.

On close examination, this result was by no means a foregone conclusion, not least considering how this report's journey began, with all the controversy when the Commission adopted the corresponding proposal last December. Yet we have succeeded not only in seeing it through, but also in achieving three things at once: we have stepped up our efforts, enhanced our strategy and introduced greater flexibility.

I say we have stepped up our efforts because, as you know, the priority proposed by Parliament has been agreed; that is to say, a long-term reduction target has been included, of 95 grams of CO₂ per kilometre by 2020. This is obviously important because it brings this sector into line with others covered by other legislative instruments such as the emissions trading scheme, but also, and above all, because it allows companies to plan their investment, innovation and research accordingly, which I believe is crucial at this difficult time.

Secondly, I say we have enhanced our strategy for the reasons that Mrs Corbey explained a short while ago: we have in fact helped to shape the future by encouraging eco-innovations and subjecting them to rigorous controls; we have encouraged research into new engines, or new fuels, shall we say; and we have introduced a system of super credits for vehicles with exceptionally low emissions. This opens up a strategic outlook that will, of course, hinge on the review in 2015 of the testing systems used to produce accurate and credible measurements of how much the various technologies help to reduce emissions.

Finally, we have introduced greater flexibility, as I said, because, as we have managed to strengthen the regulation, it has been possible, reasonable and fair to allow businesses to take a gradual approach, phasing in the new measures between 2012 and 2015. At the same time, as you will be aware, we have reformulated the procedures in such a way that they still enable us to persuade companies to make investments that will put them in a position to meet their own specific reduction targets, while at the same time facilitating their transition to the new system.

I would like to say again how pleased I am with this proposal; it is, I believe, a great work of industrial policy. It is shame that we do not have the power or all the tools we need to be able to intervene with other instruments or other levers, and I hope that under the Commission's coordination all the Member States will adopt intelligent policies to encourage demand, using forms of eco-taxation, for instance, as the French Government has done for its part, in order to prevent any distortion of competition. This would be an extremely useful additional measure in terms of replacing existing, obsolete vehicles, while permitting more efficient cars to be placed on the market on a large scale.

I hope that today we will also have the pleasure of finding out the Commission's opinion on this compromise, since up to now it has not been stated officially.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Mr President, I would like to very sincerely thank the rapporteur, Mr Sacconi, because this is a difficult issue, and the current, real and serious industrial and social crisis in Europe has not reduced its seriousness.

Moreover, we are dealing with something that is basically quite emblematic of our urban ways, the way we move around, our way of life, our industry, our society. It was therefore an impossible bet on a subject, moreover, in which there are many consumer countries and few producers, in reality. It was therefore very complex.

The Commission had already initially done this very difficult task, as far as possible. The rapporteur and Parliament have adjusted the realm of possibility and I believe that, with the prospect of the 95 grams, the details of which will be re-established in 2013, but which have now been clearly set out, manufacturers now have visibility and are going to be able to integrate technology in order to get there by 2020.

We are currently not sure what the emissions are from the existing stock. We only know about the stock that has been sold, which is not far off 160 grams. The target is 95 grams, and the current stock is probably at more than 200 grams. This is the extent of the challenge. It is really a very spectacular step forward. I do not know what the Commission will say now, but insofar as it has conducted this project from the start with so much intelligence, expertise and finesse, I have no doubt that all of this will end in a consensus.

Stavros Dimas, *Member of the Commission*. – (EL) Mr President, the proposed legislation on carbon dioxide and cars will, for the first time, establish binding emission targets for the automotive industry. At the same time, it is an important tool in helping the Member States to achieve their emission targets within the framework of the proposal on effort sharing between the Member States.

The compromise agreement achieved introduces a series of changes to the Commission's proposal. They include the gradual adoption of targets between 2012 and 2015, lower fines for the first 3 grams by which manufacturers exceed their targets up to 2018 and, finally, the provision for taking account of eco-innovations, which are disregarded today when measuring emissions during test cycles.

These amendments could also be seen as a watering down of the Commission's proposal. The proposal for a compromise on a long-term basis, by setting a long-term target for emissions from all new cars in the order of 95 grams per kilometre by 2020, offsets these losses. By incorporating the target in question, the legislation will achieve approximately one-third of the reductions needed in the sectors outside the emissions trading scheme, which is approximately what we had initially calculated for 2020.

The compromise agreement achieved benefits both the environment and consumers, who will save money from lower fuel bills. It will also provide stability in investments, allow manufacturers to predict movements, strengthen innovation and result in greater investment in research and development. Thus it will offer manufacturers the advantage of the initiative to move on global markets, where the demand for ecological cars is expected to increase, and by extension it will improve the competitiveness of the automotive industry in Europe. I should like to thank the rapporteur, Mr Guido Sacconi, for the important contribution which he made in achieving the agreement and I trust that you will support the compromise agreement in the vote tomorrow.

Werner Langen, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (DE) Mr President, on behalf of the Committee on Industry, Research and Energy, I should like to thank the rapporteur, Guido Sacconi. He headed a good and fair negotiation and I think that the result can be seen for itself. The outcome of the negotiations in the trialogue reflects some of the basic points demanded by the Committee on Industry. We demanded ambitious targets for 2020, we demanded a slow phasing in, we want a fair distribution of the burden, and we want ecological innovations; the recognition of eco-innovations also had a broad majority.

We want to treat niche vehicles and small series separately and the only point which is still under discussion is the size of fines. I am convinced that we could reduce the fines still further and still achieve the effect. This is the first time we have had binding targets and these binding targets will exert the necessary pressure. It is an ambitious programme and deserved agreement.

If we judge all this like the Group of the Greens/European Free Alliance, then you have to say that they want to kill the cow that is supposed to provide the milk. Others want to milk it constantly without feeding it. We have found a reasonable compromise and that is how it should be.

Martin Callanan, *on behalf of the PPE-DE Group*. – Mr President, let me begin by paying a genuine heartfelt tribute to Guido Sacconi's work on this. It has been a pleasure to work with him. One of these days I may even learn Italian and be able to communicate with him properly, though he is leaving Parliament next year. He has done a fantastic job on this regulation.

Europe's car industry is particularly significant. It is very important in many ways: millions of people in Europe depend for their jobs and their livelihood on this very important and in some respects cutting-edge industry. It certainly accounts for a major proportion of our manufacturing export outlet. Through various measures we have succeeded in exporting much of the rest of our manufacturing capacity outside Europe. We have to be very careful that we do not do the same with the car industry.

I have to say that I thought the original Commission proposal was too draconian and placed too many burdens on the car industry, and large parts of it were probably unachievable without major change within industry.

However, we have now arrived at a very good and acceptable compromise. It was important that instead of always wielding the big stick we left some space for carrots. I think we have done that now: we have put in incentives for the manufacturers to develop cleaner and greener technology rather than threatening them all the time with swingeing penalties.

We must never forget the important role that the Member States will need to play in this, in terms of adjusting their tax systems to make the incentives for buying cleaner and greener cars much more attractive.

It is a good proposal now, and my group will support it in the vote tomorrow. I thank Guido Sacconi once again for his work. I think that, after much negotiation, much argument and much debate, we have reached an acceptable compromise, and I pay tribute to the French presidency for that. Albeit, I think the whole first-reading process is severely flawed, and I hope we do not adopt this for future legislative acts.

Pierre Pribetich, *on behalf of the PSE Group*. – (FR) Mr President: 'When Europe meets a good idea, they go around the world together'. By giving this quote by President Mitterrand, I wanted to point out that this climate change package is an opportunity, a real chance for the development of our territory.

The CO₂ regulation for new cars that is part of this approach is the result of a compromise, as our colleague, Guido Sacconi, said, whom I congratulate.

As with any compromise, we can look at it as a glass half full or a glass half empty. However, the target of 95 grams of CO₂ per kilometre by 2020 perfectly fits with the technological revolution, the ambition and the philosophy that we want to see emerge in industrial policies for the vehicle sector, which is being seriously affected by the crises, and it gives perspective on the compromise.

However, this industrial situation requires several ingredients: the financial capacity of the Union to invest, to create a real European adjustment fund for a non-carbon economy, in particular in the vehicle research sector, and to bring together the employees of the sectors concerned through the creation of a consultative committee on climate change, in order to give direction to the social dialogue.

The crises and the demands of the fight against climate change mean that we urgently need to generate new industrial policies based on this capacity to anticipate, to manage the social dialogue and to develop employment. 'A wise man cures ambition with ambition itself'.

The MEPs from the Socialist Group in the European Parliament therefore remembered ...

(The President cut off the speaker)

Jorgo Chatzimarkakis, *on behalf of the ALDE Group*. – (DE) Mr President, this part of the climate package is one of the most important parts, because the automotive industry lies at the heart of the economies of many

of our Member States. That is why this chapter had to be closed now, so that the automotive industry can focus on the crisis plaguing it and will not need to keep battling with what figures it must or can achieve.

We need security of planning and this package gives us security of planning. It is a now-or-never package. It is a now-or-never decision, because if we do not get it through now, if we were to go now to second reading, then we would not get an automotive regulation. For this reason and because it is a special omen, I should like to congratulate Guido Sacconi.

It was not easy, when he took over as rapporteur for this difficult part, to strike a balance here. He has managed to do so. I have to say, I have the highest respect for your work, because you have managed in this report to create incentives for industry but, at the same time, to introduce fines which, as Werner Langen said, are perhaps a little high, but which achieve a paradigm shift, which is precisely what we need here.

We cannot keep pummelling away at the automotive industry by saying you have not achieved your own targets. What about when the automotive industry developed the Smart car, the Lupo, the A2, and no one bought them? Cars in showrooms do no good whatsoever. However, now we are in a phase in which, as a result of the economic situation and as a result of the legislation we are preparing here, the transition to a new era of mobility can be achieved.

That is why I believe that this is not a watering down; it is a paradigm shift that we have before us and that we have helped to bring about, and this paradigm shift will also go down in history alongside the name Stavros Dimas. I should like to thank the Commissioner for his stubbornness, for his obstinacy, because that is ultimately what brought about this result.

Rebecca Harms, *on behalf of the Verts/ALE Group*. – (DE) Mr President, ladies and gentlemen, I too should like to make a point of praising Stavros Dimas. He tabled a very reasonable proposal. It is a shame that Environment Minister Borloo did not give Mr Dimas strong support against the diehard reactionary Heads of State from Germany and especially Italy. It was Mr Berlusconi and Mrs Merkel who made sure that we now have a directive which will result in 2012, when the rules in this directive have been exhausted, in higher average emissions from the new European car fleet than we have today. Whatever happened to ambition?

Mr Langen, I asked you last time to bring me proof that you are capable of this sort of basic calculation. I, at any rate, come on balance to the conclusion that this directive will not exert any pressure to innovate because, apart from the unambitious regulation of limit values, it recognises no penalty mechanism and because the limit value for 2020 was not made compulsory.

The current crisis in the automotive industry in Europe was caused by the automotive industry itself. It slept through and sat out decades of pressure to innovate. It failed to respond to the need to protect the climate or to the demands of the energy crisis and we are again passing up an opportunity to ensure there is constructive pressure here until well into the next decade.

Unless agreement is reached tomorrow on a binding long-term target, my group will be unable to vote for this directive. I am sorry, Mr Dimas, that it should be so. We must make an example of this directive. We must ask ourselves if Europeans really are serious in their ambitions to protect the climate, if they are not more daring with their gas-guzzling cars and cars as status symbols than we are in this directive.

Alessandro Foglietta, *on behalf of the UEN Group*. – (IT) Mr President, ladies and gentlemen, I would like to thank the rapporteur, Mr Sacconi, for his excellent work on the compromise, which was reached with decision, determination and, indeed, endurance.

The report on the reduction of CO₂ emissions from light vehicles has added an important detail: the fight against climate change. For the first time, in fact, we have regulated CO₂ emissions from passenger vehicles by imposing an ambitious and binding long-term target of 95 grams of CO₂ per kilometre by 2020, at a time when the serious financial crisis and the subsidies given to the motor industry in non-EU countries are, together, severely testing our own industry. We have successfully fought to include a reduction in the penalties for slight deviations from the set targets.

We believe that the method the Commission has chosen to determine the reduction targets, based on the kerb weight of the average car, is questionable and unjustified from an environmental point of view. Indeed, a provision of this kind leads to a paradoxical situation in which vehicles that are lighter and smaller, and therefore less polluting, are in fact penalised. Nonetheless I believe and hope that, once appropriately balanced,

the text will be able to give great impetus to a targeted effort. For these reasons I see the report on the reduction of vehicle CO₂ emissions as a significant result and I am therefore in favour of its adoption.

Jens Holm, *on behalf of the GUE/NGL Group*. – (SV) Since 1990, emissions from the European transport industry have increased by over 30%. As early as 1995, the European Commission proposed an emissions requirement of 120 g per kilometre for European cars. However, what we are to vote on now is a lost opportunity. When this law comes into force in 2012, 35% of cars will be exempt. With so-called eco-innovations, car manufacturers are able to release even more emissions. The fines are so low that it is cheaper to ignore the law than to convert their production. What will become of Parliament's requirement of 95 g per kilometre by 2020? Nothing!

Vote for Amendment 50 put forward by the Confederal Group of the European United Left/Nordic Green Left and the Group of the Greens/European Free Alliance. Then we will have a truly binding emissions requirement for cars: 95 g of carbon dioxide by 2020. If this is adopted, we in the GUE/NGL Group are prepared to support this. Otherwise, we are not.

It is said that if two company managers are shut in a room they will immediately start to discuss how they can divide up the market between them and form a cartel. Unfortunately, this also applies to the two large political groups in this Parliament, the Group of the European People's Party (Christian Democrats) and European Democrats and the Socialist Group in the European Parliament. Once again the PPE-DE Group and the PSE Group have chosen to ride roughshod over the rest of us. Who are the big losers in all this? Well, they are the environment and social democracy. For the environment, this is a lost opportunity to take control of the emissions from cars. As regards the Socialist Group, this agreement demonstrates that they are increasingly starting to resemble their environmentally unfriendly political opponents in the PPE-DE Group. It does not bode well.

Johannes Blokland, *on behalf of the IND/DEM Group*. – (NL) Mr President, voluntary agreements to reduce CO₂ emissions from cars were struck between car manufacturers back in the 1990s. According to these agreements, a considerable reduction in emissions should have been achieved by now.

There is very little evidence of this in practice, however. The average CO₂ emissions from a car today are not that different from those of 10 years ago. That is why we must impose strict, binding rules. A strong industry lobby, however, has significantly weakened the original Commission proposal, which I regret.

What has been included, though, is a long-term goal of 95 g/km by 2020, which I am pleased about, but it depends on the interpretation to what extent this has been included effectively in the current text. Moreover, the short-term agreements have been watered down, which is partly attributable to a phase-in for both volume and penalties, as a result of which fewer efforts are made.

Consequently, I am unable to support the present agreement reached between the Council and Parliament, and I regret that the Commission proposal came to nothing.

Amalia Sartori, (PPE-DE). – (IT) Mr President, ladies and gentlemen, I have also been eager to take the floor to express my thanks for the work that has been done, above all by Mr Sacconi, who has by now accumulated experience that helps him to resolve even the most difficult of cases, but also of course by the French Presidency, the Council and the Commission. Their concerted efforts have enabled us to finalise all of these climate dossiers and this one in particular regarding the automobile sector which, as many have said, raised concerns due to the current economic situation.

Many of the speakers today have said that these are ambitious targets, from the initial ones for 2012 to the final ones for 2020, and that it was a wise decision to choose this single timeframe, which also applies to other reports that we will be adopting over the next few days. I also agree with the decision to introduce the modulated penalty system gradually, and the possibility of taking into account reductions achieved through the use of eco-innovations. All of these things stemmed from the dialogue among the institutions and, in my opinion, have enabled us to find solutions that lower the economic cost for manufacturers at this sensitive time, without affecting the general targets. An example of this is the introduction of super credits for cars emitting less than 50 g of CO₂ per kilometre.

That said, I too would like to point out that, in all likelihood, the approach taken whereby the limit value of emissions will increase in line with vehicle weight will mean that smaller vehicles will not obey the general rule that 'he who pollutes the most, pays the most'. We are nonetheless pleased with the outcome and are happy to vote in favour of this report.

Inés Ayala Sender (PSE). – (ES) Mr President, I would first of all like to thank Mr Sacconi for his enormous patience and his wisdom, which enabled us not only to rescue a crucial regulation for the environment, economy, employment and industry, but also to rescue with this regulation the whole energy and climate change package, which in fact depended on this philosopher's stone.

I would like to congratulate him and us, because he has achieved an essential balance between carrots and sticks and, above all, he has succeeded in showing the carrots needed to drive such a complex text forward.

This report promotes the eco-innovations associated with reduced CO₂ emissions, supports research and innovation into reducing emissions, and also promotes the biofuels and filling stations needed for that.

It also lays down estimates for the new car fleet by means of the target required, with a review and a proposal that the Commission should put forward in 2014, which will also take the framework into account.

It also considers zero-emission vehicles and very low-emission vehicles and their multiplier effect; this helps the industry and gives it not only a carrot but also an obligation, and it also provides consumers with better access to information.

All that is left for me to say is perhaps to beg Mr Sacconi to do everything he can to come back to Parliament again.

Chris Davies (ALDE). – Mr President, when you consider the ambitions we had just a few months ago for reducing CO₂ emissions from cars, these proposals are deeply disappointing. They let down the environment, they let down car drivers, who are going to be forced to pay more to use vehicles which use excessive quantities of fuel, and they even let down the European car industry, which will be at risk of being overtaken by more innovative competitors.

The argument is that the car industry is in financial crisis. But nothing we do, no proposals we make, no legislation we put into practice now will make any difference at all to the current situation of the industry. All we would be doing is telling the car designers to sit down in front of their computers and start building and designing the cars of the future.

This legislation is sad. It is bad. And, given that the International Energy Agency has just predicted that oil reserves across the world will peak within 10 years, it might even be described as completely mad. I shall not vote for it.

Matthias Groote (PSE). – (DE) Mr President, I should like to express my thanks to Mr Guido Sacconi, because he has managed here to square the circle. If you look at what we agreed in the Davies report and in the CARS 21 report, where we actually want to start legislating in 2015, the substance of the Commission proposal has on the whole been safeguarded and there is a balance between social, ecological and economic criteria.

As far as innovation is concerned, I must say that Guido Sacconi has introduced a good instrument with the innovation bonus, because manufacturers of cars which emit less than 50 grams of CO₂ will be rewarded if they sell the cars and not, as Jorgo Chatzimarkakis said, if they are sitting in showrooms or unveiled at motor shows. The cars must be sold in order for the bonus to be granted. That will exert pressure on the industry to get these cars to consumers quickly.

Bogusław Liberadzki (PSE). – (PL) Mr President, it so happens that we debated the report by Mr Groote only yesterday. It was a very good report, and also related to the automotive sector, but to heavy vehicles.

Today we have Mr Sacconi's report before us. We have every reason to say loud and clear that, as the European Union, as Parliament, we are doing all we can to ensure that our people, that is to say, our citizens, benefit from an ever-higher standard of living, in relation to environmental protection. We need to ensure that industry can actually implement these actions. It will not be easy to do so, but it does appear to be possible.

A further point I should like to make is that there have to be buyers for the new products we are planning. Mr Sacconi's work indicates that there is reason to hope for success regarding these positive features, that is to say, the protection of the environment and the possibility of manufacturing vehicles of this type, which will then become accepted on the market. I should like to thank him for that.

Juan Fraile Cantón (PSE). – (ES) Mr President, I would like to congratulate Mr Sacconi on the work he has done and the results his work has achieved.

The proposal that we are now examining has two main aims: to reach a limit of 95 grams per kilometre by 2020 through technological improvements in new vehicles, and to achieve an additional reduction by improving other systems or components, such as tyres or air conditioning, and promoting more economical driving styles.

We support the agreement because it is balanced. It helps to make a significant reduction in CO₂ emissions and preserves the competitiveness of the European car industry.

We are working towards an ambitious agreement for 2020. What we are asking of the car industry is comparable to what we have asked of other production sectors, and now the industry itself needs to draw up its strategy to achieve the targets set.

Europe now produces one-third of all the cars manufactured worldwide. If we want to retain this privileged position, we must ensure that our cars are the cleanest and the safest of all. We will therefore have to invest in innovation and in promoting the renewal of our vehicle fleet.

Czesław Adam Siekierski (PPE-DE). – (PL) (*microphone initially disconnected*) ... account for approximately one-third of greenhouse gas emissions into the atmosphere. There can be no doubt as to the need to support innovative solutions, aimed at introducing environmentally friendly technology.

We have achieved considerable success in this area recently. The constant rise in the number of motor vehicles means, however, that the positive effects are still not making themselves felt very strongly. That is why the Commission's initiative to accelerate the changes seems to be a step in the right direction.

We should keep in mind the achievement of the summit's aim, namely limiting the emission of harmful compounds. Nonetheless, we must also take account of the arguments put forward by vehicle manufacturers. They point out that the European automotive industry is one of the symbols of Europe's economic power and employs thousands of workers. The imposition of overly strict requirements could make this industry less competitive, due to the higher price of the vehicles produced. This in turn would result in huge job losses.

Such concerns are certainly justified if we consider the negative consequences of the economic crisis for the motor vehicle sector.

Silvia-Adriana Țicău (PSE). – (RO) I would like to congratulate Mr Sacconi on his report on an area which is extremely important from an economic and social perspective, a fact which is also borne out by the European economic recovery plan. This objective will be attained through improvements in motor technology and technological innovations.

By 2012 carbon dioxide emissions produced by passenger cars should not exceed 130 g/km. Vehicle manufacturers must ensure, through a gradual process, that by 2012 65% of new cars meet these requirements and that by 2015 all new cars meet them. A bonus scheme will be applicable for cars with emissions below the specified limit, while penalties will be imposed on manufacturers for cars with emissions above this limit. The car manufacturing industry therefore needs to invest in new technologies to be able to produce green cars. Thank you.

Marios Matsakis (ALDE). – Mr President, I much admire Mr Sacconi and usually agree with him, but not on this occasion.

The target of 95 g/km in 12 years' time is not an achievement, unfortunately. It is a major setback, and I wonder whether this legislation is about saving the environment or saving the car manufacturers.

I have the impression that on this occasion the environmentalists, not excluding Commissioner Dimas, have put up a fight to save the environment but they have lost to the major car manufacturers. This is very sad because we had a chance to make a difference and we missed it.

Carl Schlyter (Verts/ALE). – (SV) Mr President, who are we trying to protect by imposing limited requirements on the car industry? We talk about loopholes in the legislation. These are not loopholes. These are absolute motorways with emergency exits for the car industry, which avoids any responsibility and any requirements. Who benefits from this? Are we to continue to produce cars that no one in the world wants to drive? No. Most cars will in future be sold in India and China and other developing countries, and they want low-energy cars. Our planet wants low-energy cars and Europe's consumers want low-energy cars. Are we, then, to allow the car industry to live in a fantasy world where they can continue to produce cars that

no one wants? No. This is a bad policy for the environment, for consumers, for the economy and for research. A total failure, in other words. We are therefore unable to support this proposal.

President. – Mr Sacconi, we have reached the end, but not the end of our understanding, I think.

Guido Sacconi, rapporteur. – (IT) Mr President, ladies and gentlemen, here is a simple calculation that anyone can do on their own, with paper and pen. Given that the average CO₂ emissions from cars sold in 2005 were 159 grams per kilometre, on the basis of this regulation introducing a binding target for 2020 of 95 grams per kilometre, we will have cut the average emissions from cars sold by 38% in 2020. It is quite easy to work out, and you do not need an impact assessment to get the answer. I think it is extraordinary.

My apologies to those of you who have praised me and thanked me for my work and who approve of this compromise, which seems to me to be a large majority of you, but allow me to address mainly the dissenters and our friends from the Group of the Alliance of Liberals and Democrats for Europe, namely Mr Davies, who are once again demonstrating their inability to take responsibility. They just call for wonderful targets, but when it comes to decision time, they leave it to us to decide.

Well, I only hope that the same farce does not begin that I had over REACH (the Regulation on chemicals and their safe use), because these same groups said that REACH too was giving in, that it was a betrayal. A month later it was heralded on their websites as a great environmental success for the Union, making the EU the world leader, we might say, in the control of chemical substances. I hope that this time I will be spared such a farce.

Thank you, Mr Borloo, and Mr Dimas, too; your opinion as you expressed it is clear and will help us bring this difficult work to its conclusion with tomorrow's vote.

President. – The debate is closed.

The vote will take place on Wednesday 17 December 2008.

Written statements (Rule 142)

Ivo Belet (PPE-DE), in writing. – (NL) This morning I attended a clean mobility conference in a college of higher education in Limburg. The conference focused on electric cars. It is obvious that the time is right to switch to this environmentally friendly technology. The era of fossil fuels has run its course.

The current crisis which the car industry is facing also offers opportunities to completely change tack. The manufacturers must, in exchange for the government support and guarantees they are receiving, invest far more in this technology of the future, or affordable batteries with a greater range, in other words.

The government, in turn, should support this switch far more resolutely, not least fiscally.

Since 2005, there has been a Commission proposal on the table to reform car tax and to coordinate this at European level. This proposal should be re-submitted to the ministers. Car tax should be re-calculated on the basis of emissions criteria. People who drive electric cars and emit hardly any CO₂ or soot particles, if at all, should be rewarded fiscally for this.

It is time for a radical switch. The engineers have done their bit. It is now up to the government to push the car manufacturers further in the right direction and to do so quickly.

Krzysztof Hołowczyc (PPE-DE), in writing. – (PL) The current debate on the so-called environmental package confirms the ambitious targets Europe has set itself in relation to combating climate change. The European automotive industry is part and parcel of Europe's strategy to achieve a 20% reduction in greenhouse gases, make our economy less energy-intensive and increase the proportion of energy derived from renewable sources by 2020 in comparison to 1990.

This is particularly relevant as regards reducing CO₂ emissions. According to EU data, private cars produce 12% of all CO₂ emissions on the territory of the Community. This high level of emissions is mainly due to the increasing number of cars and to greater use of road transport, which has not been compensated for by improvements in engine construction or reduction in vehicle weight.

It is planned to reduce the CO₂ emission limits for private cars to 120 grams per kilometre by 2012. It is also planned to set out a long-term strategy for the reduction of this limit to 95 grams per kilometre by 2020. This is in line with the European Parliament's opinion that it takes five to seven years to bring out new types

of motor vehicles. This of course impacts on the development and production cycles of the motor vehicle industry.

The principles adopted are certainly ambitious from an environmental point of view. On the other hand, increased investment in research and development required due to the new standards will encourage scientific research on technical solutions to achieve fuel saving. This increases the level of innovation in the motor vehicle sector, which will in turn promote the competitiveness of Europe's economy.

Martin Kastler (PPE-DE), in writing. – (DE) The current financial and economic crisis poses massive challenges for the automotive and supply industry. Sales figures are falling and many factories have suspended production until the end of the year. In Germany, every seventh job depends directly or indirectly on car manufacture. One important policy objective must be to create framework conditions to protect jobs in Germany even in times of crisis. The regulation has therefore come along at completely the wrong time.

I am sorry that the report tabled does not create incentives to stem emissions. This would, in my opinion, have been the right approach to climate change, including in times of economic crisis. The threat of horrendous penalties is not a solution.

I am therefore of the opinion that private agendas are being pursued here to the detriment of the German economy. What is important to me is to promote protection of the climate, but not to the detriment of individual EU Member States. This regulation hits not only German car manufacturers themselves, but also, above all, the mostly medium-sized suppliers, many of which are located in the Nürnberg Metropolitan Region. As a new MEP for Nürnberg, I cannot therefore vote in favour of this report.

16. Energy and climate change (conclusion)

President. – The next item is the conclusions of the Council and the Commission on climate change and energy.

Jean-Louis Borloo, President-in-Office of the Council. – (FR) Mr President, ladies and gentlemen, I have three main things to say.

The first concerns the method, the procedure and codecision. I have heard mention, here and there, of the idea that this first reading agreement should not set a precedent. There is no one who particularly wants that. I think that the particular circumstances at the moment, between Copenhagen and Parliament's democratic process, meant that we absolutely had to conclude this at first reading, or there would not have been agreement, which was possible. However, I think that the in-depth work in the Commission's proposal, which was extremely thorough, and the work of the Council in its various energy and environment configurations, meant that everything was in place for reaching an agreement. The confidence pact made three weeks ago, in the middle of the trialogues, has, in a way, enabled us to reach a conclusion.

It is indeed Parliament that, in the last instance, as is normal, will take the decisive vote, which will take place tomorrow.

My second comment concerns all of the texts. I know that, on any one point, we can always have an extraordinary focus on method. What is important is not the methods, it is the guarantee, in all honesty, that we are giving ourselves the means to achieve the objectives.

I will use the example of CO₂ from cars, which has been the subject of the most definitive talk. I do not share these views, because, in terms of vehicle construction, you know very well that it takes years to design and construct cars. Mr Davies, you know this. Mrs Harms supported the Commission's proposal, which did not mention the 95 grams. Basically, the consensus that the trialogues reached is a slight softening of the short-term or immediate penalties, which has little influence on immediate production, in exchange for a confirmed, major strategic decision of 95 grams, and no longer 120 grams.

Perhaps we could have a discussion and find that we could have done more. I do not dispute this, but I do not think that the methods adopted on all six texts are retreats in relation to the Commission.

The Commission made complex proposals because the situation is complex, the situation of the Member States is complex, the situation of our industries and our social climate is complex, but I think that we all have the means to reach this first stage of the climate and energy package.

The third thing that I have to say is regarding external expression, and basically, preparation for Copenhagen. I am saying this as personally as possible, as I was in Poznań three days ago. We cannot have great negotiations in Copenhagen if we, as Europeans, are not 100% proud of our first stage. If we externally devalue, in relation to our US, Canadian, Australian, Chinese and Russian partners, and many others, if we ourselves devalue a first stage of essential breakthrough, we should not be surprised if the others do not take us seriously in the Copenhagen negotiations. They will not have the European Court of Justice on their side to ensure that the directives concerned are properly implemented.

So please, let us have an internal debate; that is normal. Obviously there are the votes, but believe me, the whole industry has understood the message. European citizens have understood the message, whatever happens, and that is nothing to do with us or our directives. Quite simply, now the rest of the world is listening to us, so let us not devalue an extraordinary achievement.

Stavros Dimas, *Member of the Commission*. – Mr President, I would like to thank all the speakers in today's discussion for their very constructive contributions and I urge you to support this compromise package before us today. By adopting this compromise agreement the European Union will be demonstrating that with sufficient political will it is possible to adopt the concrete measures necessary to combat climate change and that it is possible to do so at reasonable cost. If 27 countries with very different social and economic realities can agree in a relatively short time on a very complex and far-reaching set of measures, why should it not be possible to come to a similar agreement internationally? During last week's United Nations conference in Poznań it was clear that the world's eyes were on Europe and that our actions will have a decisive and positive influence on the international negotiations.

I would like to make short comments on some points that have been much discussed tonight.

Firstly, on cars: through the compromise proposal our first achievement will be that we are going to have mandatory standards for European car manufacturers, which is very important, so this alone is a reason for voting for the proposal which is part of the package. It also contributed to achievement of the targets in the non-ETS sector by about one third under the original proposal of the Commission but will still contribute about one fourth under the proposal as it stands now, and if the long-term target of 95 g is taken into account we could again reach the one third that we originally aimed at. Of course – as Chris Davies has said – it is in the interests of European car manufacturers to move fast towards the technological innovations to reduce the fuel consumption by cars because in this way they will take advantage sooner of the social shift towards cleaner cars and, by doing that, they will profit. And of course the consumers will pay smaller fuel bills and the environment will benefit from this production of cleaner cars. So even as it stands and being part of the whole package I think you should vote for it.

Secondly, auctioning: there is a lot of criticism as to why we should reduce auctioning. But still in the first and second trading period the maximum auctioning was 4%: 4% of the allowances were auctioned. Now we are going to over 50%, even after the reduction. Auctioning is very important, it is the best way of allocating allowances, it works according to the polluter pays principle, it does not permit the creation of windfall profits and it will generate funds which are needed in the fight against climate change and for other good causes. But still this incentive remains: we are going to have more than 50% and this percentage will increase year by year. If some of the countries that have an opt-out for the power sector do not use it – which is my opinion – when the time comes this percentage will go up even further.

About the windfall profits which could occur because of free allocations, free allowances: Member States who are very much concerned about it still have the possibility of taxing these windfall profits. Thus there is a way of dealing with this if there is political will and you, the Members of the European Parliament, you also have a voice in your home country.

With regard to the use of external credits in the non-ETS sector, the effort-sharing sector, I was confused by some of the arguments that were made today. Are we not in favour of the CDMs? Do we not support the flexible mechanisms of Kyoto? Are we going to be against them in the international agreement in Copenhagen? Do you think a very difficult agreement in Copenhagen without these flexible mechanisms could be impossible?

So what is your position? I do not understand it. Are you against these flexible mechanisms, against making investments in developing countries, transferring technology there, and reducing emissions and of course getting the credit for them? Of course we have to have a balance so as not to carry out most of them there. We have to carry them out here, in the European Union, domestically, because it is better for our economies, it is better for adjusting to the low-carbon needs of the future and it will give our business and industry a

first-mover advantage. It will be an incentive for developing new technologies, energy efficiency and promoting renewable sources of energy.

So of course we have to keep the balance and I think that the balance has not been much disturbed by a 10% increase in the use of external credits in the non-ETS sector, because this is what we are talking about. And again, in response to arguments from Members of the European Parliament from countries which have asked for this derogation, I say: Okay, tell your countries not to use this derogation. It is up to you to influence public opinion and the governments in your countries not to use this additional 1%.

I believe that in the end, because we have so many conditions for the additional 1%, most of it will not be used. I remind you that use of this additional 1% in CDM projects should be in the least-developed countries. If I remember well, at the United Nations conference in Poznań the main argument that we had with developing countries was that we do not carry out many projects in those countries. One of the issues that we discussed was how to distribute these projects better among the developing countries and especially the least developed countries. Of course it is very important for the quality of the CDMs to be high; we discussed this in United Nations conference in Poznań and we made some progress. I hope that by the time that we have the Copenhagen Conference we shall have finished the discussion regarding the improvement and the transparency of CDMs and the additionality condition which is absolutely necessary.

The last point I would like to make concerns the issue of whether the package is a threat, because I have heard some of our colleagues saying that this is a threat to their economies, especially, auctioning. But I remind you that the revenue that will be generated from auctioning remains with the Member States; it does not go abroad, to other countries, it remains with the country, with its finance ministry, and it can be used for good causes and could even be used for social issues. If there is an electricity price increase, if there are energy poor, you can rebate part of the increase of the electricity price. Consequently I do not understand the 'threat' caused by auctioning to the economies of those countries: the whole package is consistent with tackling the economic crisis. I do not have more time now to argue about this, but there was a big discussion on this and I am not going back.

Let me finish my intervention by expressing my sincere thanks to the European Parliament, the Presidency and the Council for the excellent cooperation on the package and the related proposals on carbon dioxide and cars and the fuel quality directive. I particularly appreciate the constructive role this House, and especially the rapporteurs, have played in securing an agreement between the institutions on this crucial package. By adopting this package you will ensure that the European Union has the concrete measures to deliver on its reduction commitments and will be reconfirming Europe's leadership on climate change at a crucial juncture for the international negotiations. The larger the majority in favour of these measures, the stronger the signal we will send to our international partners about our determination to address climate change, and the more effective it will be in convincing them to follow our example. I therefore strongly urge you to support the compromise package before us today.

Andris Piebalgs, *Member of the Commission*. – Mr President, I am honoured to conclude this very constructive debate. It is a great achievement. Who could believe that we could agree on such a demanding package of measures, with not only a consensus in the Council but a first-reading agreement with Parliament on very complex issues? It is a really great achievement.

I would like to mention only that, in the course of the agreement, the Commission has made a number of declarations. These have been handed over to Parliament to be annexed to the Minutes of our debate.

Together, we have achieved a great agreement and I am happy to commend it to you. I wish you success in tomorrow's vote.

Commission statements on the Climate and Energy Package

Emission trading – Doyle report

Commission declaration ad Article 10(3) of the revised ETS Directive

Between 2013 and 2016, Member States may also use revenues generated from the auctioning of allowances to support the construction of highly efficient power plants, including new energy power plants that are CCS-ready. For new installations exceeding the degree of efficiency of a power plant according to Annex 1

to the Commission Decision of 21 December 2006 (2007/74/EC)⁽¹⁾ the Member States may support up to 15% of the total costs of the investment for a new installation that is CCS-ready.

Commission declaration ad Article 10a(4a) on the modification of Community guidelines on state aid for environmental protection

Member States may deem it necessary to compensate temporarily certain installations from CO₂ costs passed on in electricity prices if the CO₂ costs might otherwise expose them to the risk of carbon leakage. In the absence of an international agreement, the Commission undertakes to modify after consulting Member States the Community guidelines on state aid for environmental protection by the end of 2010 to establish detailed provision under which Member State may grant state aid for such support. The provisions will follow the principles as presented in the non-paper to the Council on 19 November 2008 (Annex 2 15713/1/08).

Carbon capture & storage – Davies report

Statement by the Commission on latest developments in deployment of CCS technologies

From 2010 the Commission will regularly report on latest developments in deployment of CCS technologies within its activities related to running the network of CCS demonstration projects. This reporting will include information on the progress on the CCS demo plants deployment, progress of CCS technologies development, cost estimates and the development of CO₂ transport and storage infrastructure.

Statement by the Commission on draft permit decisions and on draft decisions of transfer pursuant to Articles 10(1) and 18(2) of the Directive

The Commission will publish all opinions on draft permit decisions pursuant to Article 10(1) of the Directive, and on draft decisions of transfer pursuant to Article 18(2). The published version of the opinions will, however, display no information whose confidentiality is warranted under the exceptions to public access to information under Regulations (EC) Nos 1049/2001 and 1367/2006 concerning respectively public access to European parliament, Council and Commission documents (OJ L 145, p. 43) and the application of the provisions of the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters to Community institutions and bodies (OJ L 264, p. 13).

Statement by the Commission on whether carbon dioxide should be a named substance with suitable thresholds in a revised Seveso Directive

CO₂ is a common substance and currently not classified as dangerous. CO₂ transport and storage sites are therefore at the moment not included in Council Directive 96/82/EC of 9 December 1996 on the control of major-accident hazards involving dangerous substances (Seveso Directive). On the basis of the Commission's preliminary analysis of the available information, for CO₂ transport, both empirical and modelled evidence for pipeline transport would seem to indicate that the risks presented are no higher than for pipeline transport of natural gas. The same would seem to be true for ship transport of CO₂ as compared with ship transport of liquefied natural gas or liquefied petroleum gas. The indications are also that the accident hazard posed by a CO₂ storage site, whether from rupture at injection or from post-injection leakage, is unlikely to be significant. However, the case for considering CO₂ as a named substance under the Seveso Directive will be considered in more detail when developing the proposed revision of the Directive, scheduled for late 2009/early 2010. Should the assessment identify a relevant potential accident hazard, the Commission will make proposals to include CO₂ as a named substance with suitable thresholds in the revised Seveso Directive. In that case, the Commission would also propose changes to Annex III to Directive 2004/35/EC of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage (Environmental Liability Directive) as appropriate to ensure that all Seveso installations handling supercritical CO₂ are covered under the Environmental Liability Directive.

Statement by the Commission on mineral sequestration of CO₂

(1) 'Energy penalty' is the term used to express the fact that a plant applying CO₂ capture or mineralisation uses some of its energy for those processes, and so needs more energy than a plant of equivalent output without capture/mineralisation.

Mineral sequestration of CO₂ (the fixation of CO₂ in the form of inorganic carbonates) is a potential climate abatement technology which could in principle be used by the same categories of industrial installation as can use geological storage of CO₂. However, it is at present still in the development stage. In addition to the energy penalty⁽²⁾ associated with capturing CO₂, there is currently a substantial energy penalty associated with the mineral carbonation process itself, which will require to be addressed before commercial implementation can be envisaged. As with geological storage, the controls required to ensure the environmental safety of the technology would also have to be established. These controls are likely to be substantially different from those for geological storage, given the fundamental differences between the technologies. In the light of these considerations, the Commission will follow closely the technical progress with mineral sequestration, with a view to developing an enabling legal framework to allow for environmentally-safe mineral sequestration and its recognition under the Emissions Trading System, when the technology has reached an appropriate state of development. Given the interest in the technology among Member States and the pace of technological change, a first assessment is likely to be appropriate towards 2014, or earlier if circumstances warrant.

Fuel quality directive – Corbey report

Commission statement to accompany adoption of the new Directive

The Commission confirms that the 2% reductions mentioned in Article 7a(2)(b) and (c) are not binding and that the review will address their non-binding character.

CO₂ & cars – Sacconi report

The Commission confirms that in 2009 it intends to propose a revision of Directive 1999/94/EC relating to the availability of consumer information on fuel economy and CO₂ emissions in respect of the marketing of new passenger cars. This is to ensure that consumers receive appropriate information about the CO₂ emissions of new passenger cars.

The Commission will by 2010 review Directive 2007/46/EC so that the presence of innovative technologies ('eco-innovations') in a vehicle and their impact on the vehicle's specific emissions of CO₂ can be communicated to the Member State authorities responsible for monitoring and reporting in accordance with the Regulation.

The Commission will also consider preparing and implementing requirements for cars to be fitted with fuel economy meters as a means to encourage more fuel-efficient driving. In this context, the Commission will consider modifying the framework type approval legislation and adopting the necessary technical standards by 2010.

The Commission is, however, committed to the aims of its Better Regulation initiative and the need for proposals to be underpinned by a comprehensive assessment of the impacts and benefits. In this regard and in accordance with the Treaty establishing the European Community, the Commission will continue to evaluate the need to bring forward new legislative proposals but reserves its right to decide if and when it would be appropriate to present any such proposal.

Promotion of the use of energy from renewable sources – Turmes report

Commission declaration relating to Article 2(b)

The Commission is of the view that for the purposes of this directive, the term 'industrial and municipal waste' may include waste denominated as 'commercial waste'.

Commission declaration relating to Article 20(6)(d)

The Commission is of the view that the reference to the target of 20% in the last subparagraph of Article 20(6)(d) will not be construed in a way different to Article 3(1) of the Directive.

Commission declaration relating to Article 20(6)(d), (7) and (8)

(2) 'Energy penalty' is the term used to express the fact that a plant applying CO₂ capture or mineralisation uses some of its energy for those processes, and so needs more energy than a plant of equivalent output without capture/mineralisation.

The Commission acknowledges that some Member States already in 2005 have achieved a high share of renewable energy at national level. When establishing the reports referred to in Article 20(6)(d), (7) and (8), the Commission will, as part of its assessment of the best cost-benefit basis, take due account of marginal costs of increasing the share of renewable energies and will include, as appropriate, adequate solutions also for such Member States in any proposal put forward in accordance with the above mentioned Article of the Directive.

Commission declaration relating to Annex VIIb

The Commission will seek to advance the development of the guidelines referred to in Annex VIIb of the Directive by 2011 and will cooperate with Member States to develop the data and the methodologies needed to estimate and monitor the contribution of heat pumps to the fulfilment of the objectives of the Directive.

The guidelines will provide for corrections to Seasonal Performance Factor (SPF) values used to assess the inclusion of heat pumps not driven by electricity to take account of the fact that the primary energy needs of such heat pumps are not affected by the efficiency of the power system. In preparing these guidelines the Commission will also evaluate the feasibility of providing for a methodology under which the SPF value used to assess the inclusion of any given heat pump is based on average EU climate conditions.

Marios Matsakis (ALDE). - Mr President, on a point of order, many times we complain of the inadequate attendance of the Council and the Commission in our plenary debates. Tonight, unfortunately, although we have two Commissioners and one Minister, we only have about five Members in this plenary. I think it is sad and I think we owe the Commissioners and the Minister an apology.

President. - I agree entirely: this shows with what professionalism and goodwill the Commission and Council do their work.

I would like to inform you that Mrs Karin Scheele has tendered her resignation as a Member of the European Parliament, with effect from 11 December 2008. Pursuant to Rule 4(1) of the Rules of Procedure, Parliament notes the vacancy of her seat from said date. In the meantime, the competent Austrian authorities have informed us that Mrs Maria Berger has been elected to the European Parliament to replace Mrs Scheele, with effect from 11 December 2008.

Pursuant to Rule 3(2), until such time as her credentials have been verified or a ruling has been given on any dispute, Mrs Berger shall take her seat in Parliament and on its bodies with full rights, provided that she has previously signed a declaration that she does not hold any office incompatible with that of Member of the European Parliament.

17. Composition of Parliament: see Minutes

(The sitting was suspended at 8.20 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MR COCILOVO

Vice-President

18. Legislative process on the 3rd Energy Package (debate)

President. - The next item is the debate on the oral question to the Council on the continuation and timely conclusion of the legislative process on the 3rd Energy Package by Hannes Swoboda, Reino Paasilinna, Eluned Morgan, Atanas Paparizov, Giles Chichester, Alejo Vidal-Quadras, Herbert Reul, Angelika Niebler, Gunnar Hökmark and Jerzy Buzek, on behalf of the Socialist Group in the European Parliament and of the Group of the European People's Party (Christian Democrats) and European Democrats (O-0120/2008 - B6-0493/2008).

Atanas Paparizov, author. - Mr President, on 18 June and 9 July 2008, the European Parliament adopted at first reading the legislative resolutions on the directives and regulations of the third Energy Package. The package is of major importance for the creation of a European internal market in electricity and gas and for ensuring a transparent and clear regulatory framework for investments in transmission networks and enhancing regional and pan-European cooperation. On that basis, the energy package contributes greatly to the EU Member States' security of energy supply.

Its adoption will also be a major contribution to the efforts to implement the ambitious legislative package on energy and climate change, which I am confident Parliament will adopt tomorrow.

In this respect, we would like to request that the French presidency inform us of its intention to present to the European Parliament the common position of the Council on the five legislative proposals. We would also appreciate detailed information on what steps the Council, and in particular the Czech presidency, envisages for the continuation and timely conclusion of the legislative process on the third Energy Package.

The European Parliament has repeatedly demonstrated its willingness to engage in a constructive dialogue with the Council. As a token of this readiness, the European Parliament rapporteurs initiated a letter addressed to Minister Borloo on 17 July, where we call upon the presidency-in-office to establish informal talks between the Council and Parliament in the period between the general political agreement and the formal notification of the common position of the Council. Furthermore, we encouraged the Council to prioritise this legislative package, with informal talks starting as early as September 2008, as we were convinced this would serve the interests of the three institutions, the French presidency and EU citizens at large. Later on, we drew attention to the necessity of starting these timely negotiations on a number of occasions.

I would like to highlight the European Parliament resolution on the outcome of the European Council meeting in Brussels on 15 and 16 October 2008, where we call on the Council to start the negotiations.

After the political agreement of 10 October, the Chair of the Committee on Industry, Research and Energy proposed in a letter of 7 November to hold the first meeting in the form of an informal trialogue before the end of this year. We regret that such a meeting has not yet taken place.

For our part, once we receive the common position of the Council, we are ready to start a trialogue in order to reach an interinstitutional agreement.

Today, at a meeting of the rapporteurs and representatives of all political groups, organised by the Chair of the Committee on Industry, Ms Niebler, we unanimously agreed to propose to begin the trialogue as early as possible, preferably in Strasbourg in the week starting 12 January 2009, considering the time constraints. We hope that the Czech presidency will be able to accept this proposal.

We are aware at this stage that the Council has covered in its common position the areas of substantial political importance, such as unbundling, the third-country clause and a level playing field. It has not, however, addressed the issues raised by the European Parliament at first reading, such as the greater role of the regulatory agency, protection of consumers, energy poverty etc. We hope to discuss these important issues in an intensive dialogue in January and February.

Allow me to express my belief that the Council will respond in an expeditious and constructive manner to the issues raised by the European Parliament, which guarantee the implementation of the package and defend the interests of millions of European consumers.

Gunnar Hökmark, author. – (SV) Mr President, tomorrow Parliament will decide on the various parts of the climate package. This will mean that, in a very short time, we have negotiated our way forward and taken decisions on important parts of future European energy and environment policy. It also means that Parliament and the Council will have completed the climate package long before we have got very far with implementing and taking decisions about the energy markets. It ought actually to have been the other way round, which is to say that we should have been able to complete the decision-making in relation to the electricity and gas markets and cross-border markets long before we got to this point. The energy market we are now constructing within the framework of the climate package requires a properly functioning energy market across Europe's borders, with competition to keep prices down. We should also ensure that we can utilise every single energy source that we have available to us in Europe. The system has become a little confused between the market package and the climate package in this area.

What we can do now is ensure that we make headway with these negotiations as quickly as possible. It is, of course, up to the Czech Presidency to get the negotiations started as soon as possible, perhaps, as suggested here earlier by one of my fellow Members, in Strasbourg in January. However, tomorrow when we decide on the climate package, the French Presidency will also be required to handle the situation and to initiate a process that enables the negotiations to start immediately and the discussions on unbundling, better competition and cross-border connections to get underway as soon as possible.

This is important, not only in order to keep prices down and to allow more competition, but also in order to ensure that the various Member States who, as a result of the climate package, may find themselves in a

more vulnerable situation, do not become isolated. This is something that needs to be done, and I hope that most of it will be carried out under the Czech Presidency.

However, Mr President, Minister, we do not want to allow the French Presidency to evade its responsibility in these final days of December 2008. Thank you very much.

Jean-Louis Borloo, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, I can assure you that we have no intention of shirking our responsibilities, in fact quite the contrary.

The Council has on several occasions, including during this six-month period, underlined the great importance that it places on creating an internal market in electricity and gas, ensuring a transparent and clear regulatory framework for investments in and operation of transmission networks, and reinforcing the role of regulatory authorities and their cooperation. This importance should again be underlined at this time when, hopefully, the climate and energy package will be adopted, all the more so as completing this internal market is a prerequisite for achieving our objectives in this area.

The importance placed by the French Presidency on the successful conclusion of this package, which is a fundamental element of European energy policy, cannot therefore be called into question. Neither can the importance placed on meeting the agreed deadline, in other words reaching agreement before the end of the legislative term. It therefore made every effort to achieve political agreement on all five texts during the Council meeting on 10 October.

I must remind you that, despite the excellent and comprehensive work of the Slovenian Presidency, two essential issues were left open in the texts, which took the form of a general approach, due to the lack of an opinion from Parliament during the Council meeting on 6 June. These issues were investments of third countries in the energy sector and conditions of fair competition. Every effort was made and we managed to ensure that a unanimous agreement was reached during the October Council meeting. I would point out that the Commission very much supported the terms of the October common position.

On the day after this agreement, the French Presidency engaged the services of the Council's General Secretariat to carry out the technical and legal work needed to finalise the 300 pages of legislation in this package, so that the common positions could be forwarded to Parliament in December. The prompt conclusion of this work is dependent on both the services of Parliament and also those of all Member States.

In line with the indication given by the secretariat of the committee responsible for coordinating the work of the institutions, and in agreement with the future Czech Presidency, it was decided that this common position would be forwarded to Parliament in the coming days, at the beginning of January. As far as the Council is concerned, it intends to conclude the procedures for this adoption on 9 January. I do not need to remind you that we have been negotiating a number of packages at the same time, including the one that we have talked about today and the one on maritime transport which has really fired up all the respective negotiators.

Despite the physical impossibility of starting negotiations on that package, in a letter of 17 November sent to the President of Coreper and to the chairman of the Committee on Industry, Research and Energy, the French Presidency indicated its availability to attend an initial meeting in the form of a trialogue, as you asked, in order to begin some initial exchanges. The conditions have now been met so that we can devote ourselves fully to examining this package and hopefully reaching agreement at second reading, by next May. This, in any event, is what the French Presidency hopes.

Andris Piebalgs, *Member of the Commission*. – Mr President, first of all I would like to thank honourable Members for this very timely question. It is very important that we conclude the debate on the internal energy market during this legislature. It was a very complex package of measures which was proposed; the debate this time leads up to the second-reading agreement and, as one would expect, takes into account the complex nature of these proposals.

On the asset side I would say that it is very important that in the Council we now have political agreement and common positions will be adopted in early January. The Commission will also adopt its communication to the Parliament on the common position in early January so that it will be in time for the first part-session in January. So from this point of view we are ready to come with common positions to Parliament, so that Parliament can take note of these positions and move into formal negotiations.

The second point I would like to stress is that the forthcoming Czech presidency is putting a lot of emphasis on working ambitiously to achieve results in March, or earlier if possible. They also plan trialogues. They would be happy to have one each week – they are really very ambitious, making it their first priority.

Thirdly I would like to thank the French presidency because, with all the workload on energy and climate change package, they have really delivered what they promised on the internal market package. It was not easy to reach a political agreement in the Council; under the Slovenian presidency we agreed on some main points, but some points were still shaky. Now we have solid agreement in the Council, and the Council is ready to negotiate.

Next I would like to thank Parliament. I would like to thank Mrs Niebler for her patience in the trialogues, because we reached the first agreement partly thanks to your hard work, so I apologise and I hope we will not go on into the night during the discussions on the internal energy market. However, I believe that we have good substance with which to make an agreement because all the rapporteurs are working very closely together. I hope it will not go on into the early hours.

From the Commission side I promise that we will work hard to find an acceptable compromise, because from the Commission point of view it is crucial that the European Union is strong on the internal energy market. It guarantees security of supply, it guarantees lower consumer prices, but most of all it also guarantees that all the measures we would like to propose through ETS will be effective. The Commission has a full interest in finding an agreement and in facilitating agreement between the European Parliament and the Council.

Angelika Niebler, *on behalf of the PPE-DE Group.* – (DE) Mr President, Mr President-in-Office, Commissioner, ladies and gentlemen, we have debated the climate package all day today and the vote will take place tomorrow. The prognosis is that there will be broad agreement on this climate package which, all in all, is a good thing.

However, the overall climate package and the noble targets in this package are only realisable if we also make a quantum leap forward in matters such as extended networks and extended infrastructure. That is why I am delighted that the Council arrived at a common position in October, so that we here in Parliament can, as we always hoped, progress quickly with our consultations. I hope that negotiations will start soon. I am grateful to you, Mr President-in-Office, for having already set the ball in motion.

At a working level, I see that the secretariats have already started cooperation and making preparations so that negotiations can commence in January or February under the Czech Presidency. If the Commission, as in so many cases, acts as the honest middleman, we shall achieve good compromises in the end.

At a material level, there are of course huge differences on certain fundamental points between the Council's position and the position of the European Parliament. Mr Hökmark has already addressed the question of unbundling property rights and whether there is an alternative. The Council has taken a different position to Parliament here in both the gas and electricity sectors. The question as to what role the agency should play will be one of the key questions. At the moment the Council and Parliament share very different views. There are even different emphases within the overall complex of consumer rights.

I am confident that the political will to reach agreement exists even with this dossier. If we all cooperate as constructively as on the climate package, then we shall achieve that too. I hope that we will not need to sit over the weekend; getting up once at 4.40 a.m. on a Saturday morning to debate the climate package was enough for me. From that point of view, I am looking forward to good cooperation.

Atanas Papanizov, *on behalf of the PSE Group.* – (FR) Mr President, I must firstly thank Mr Borloo for his constructive attitude and for indicating the Council's willingness to conclude the discussion on this package by the end of this legislative term.

I am also very grateful on behalf of my group for the statement made by Commissioner Piebalgs that he would support the finding of a compromise, though we have very many issues on which the Council has not touched and for which the Commission has reserved its position.

The European Parliament, and we in the PSE Group in particular, insist on issues such as consumer rights and energy poverty which we would like to see reflected in the final document. I would like to assure you that we are ready to participate in this trialogue from the very beginning of January and, as Mrs Niebler has just mentioned, this is the intention of all the rapporteurs and all the political groups. We would be very happy if the Czech presidency were ready to join us at the beginning of January so that we can complete our

work in substance by the end of March and are able to finalise the package during the month of April, probably at the second part-session in April. That would be the ideal solution.

I would like to assure you that we will also be ready to find a compromise and try to find a solution for both packages, but this should of course be a process that will lead to a more competitive market, to more transparency, to viability of all the stakeholders, allowing them to have their say in a future energy market. We are sure that the role of the Agency could be improved within the limits of the Meroni case and we have found good proposals for that in Parliament.

We hope that the Commission will support us and that we can create a package with actors and codes that are implemented, and that they are backed by obligatory decisions, not implemented on a voluntary basis. I think this would be a good solution for a real third Energy Package that will go beyond the second one and that will create the basis for a truly functioning competitive market.

Rebecca Harms, on behalf of the Verts/ALE Group. – (DE) Mr President, I think it is a very good thing that the energy package is back on the table and I should like, first of all, to take this opportunity to remind the House that, as far as the internal market in electricity is concerned, the European Parliament voted with a very, very impressive majority against the third way agreed between Angela Merkel and Nicolas Sarkozy. I think that should not be overlooked in the consultations which lie before us now.

I was most displeased at how the French Presidency treated the issue like a hot potato over the last six months and has now passed this hot potato to the Czech Presidency. That is no way to deal with an issue that is very important, because with unbundling, for which Parliament has stood so consistently, we would create a much better competitive situation on the European internal market in electricity and we would, in my view, also guarantee that prices are set more fairly and more transparently.

It is often maintained that, as a result, we could also make energy cheaper. The Group of the Greens/European Free Alliance has never claimed that, but we would continue to connect with our position the demand for fairer price-setting and competition and for citizens to be able to understand this better.

I am now, on behalf of my group, expressly in favour of resuming further consultations on this energy market package in January – I do not know what was said earlier as, unfortunately, I was late arriving – or as early as possible, because I believe that the overall energy and climate strategy cannot function and cannot be perfect unless we develop the market in accordance with the political objectives that we formulated in the climate and energy package.

Jerzy Buzek (PPE-DE). – (PL) Mr President, first and foremost I should like to thank Mr Borloo for his excellent preparation for the negotiations on the climate package and for steering them through to their conclusion.

Unfortunately things did not go well for the third energy package during the French Presidency. I should like to take this opportunity of thanking Commissioner Piebalgs for his work in the first half of this year, however. We did largely succeed in getting the third energy package through Parliament as well, thanks to constant discussions with the Commission and to the many amendments we tabled.

It is my view that in the climate package we have a problem with the unjustified windfall profits, as they have become known. The main reason for this type of profits is the absence of a genuine market and of the relevant solutions. For example, it is hard to imagine windfall profits in relation to the sale of vehicles, apples or oranges because in those cases there is a genuine market and such profits would be impossible.

That is why, having taken such a great step forward regarding protection of the natural environment in the climate package, we must now consider actions relating to the market. It is our duty to do so. The common market should bring us greater competition and energy security, which is what our customers are eagerly awaiting in particular.

I should like to pose a question to the French Presidency. Did individual countries change their stance concerning the third energy package in the course of debate on the energy and climate package? I ask this because it is now abundantly clear that it is imperative to complete work on the third energy package in order to implement the climate package.

Reinhard Rack (PPE-DE). – (DE) Mr President, Mr President-in-Office, Commissioner, reference was made several times, and quite rightly so, during today's debate to the connections between the energy package and climate issues. I consider this connection to be inextricable and hope that the timetable which has now been

submitted will result in our finding a true consensus between the European institutions on the question of the internal market in energy within the next few months.

I should like to expressly say in this connection that I do not consider it a good thing, even though it was praised several times today, that we pursue the snap decision method we have just applied on the issue of climate. First reading agreements may be a very good thing, but when they basically result in all majorities being changed and the roles and functions of the individual institutions being brought to bear in a very unbalanced manner, then I do not think it is a good thing.

Silvia-Adriana Țicău (PSE). – (RO) The energy package needs to give out a strong signal to investors, especially in the energy sector. Unfortunately, the climate change package will not be complete until the energy package is also finalised. I am also mentioning this because the European Union needs investment in an energy infrastructure, a fact which is also confirmed by the European economic recovery plan.

We need to invest in connecting up the European Union's energy infrastructures. We want to promote renewable energy sources, but in order to achieve this, producers of renewable energy need to be able to access the power supply grid so that the electricity generated from these sources can reach the end consumer. This is why I hope that urgent measures will be taken on approving this package during the period ahead. Thank you.

Jean-Louis Borloo, President-in-Office of the Council. – (FR) Mr President, I must respond to Mrs Harms on this package as there seems to be an information problem between us.

I would repeat that, despite the extraordinary work of the Slovenian Presidency, two major issues were left open and were not tackled by any of the institutions, apart from the Commission. These were the issue of free and fair market access and the issue of investments of third countries in the EU's energy sector.

Please allow me to say that these were not minor problems. They were two problems that were shelved because they were complicated. They were not tackled and no agreement could be reached during the Council meeting on 6 June 2008. The French Presidency is absolutely convinced that the internal market is an integral part of all the measures on which we are working and on which Parliament will hopefully vote tomorrow.

I would say to Mrs Harms that, during the Council meeting in October, we spent many difficult hours trying to reach a unanimous agreement, as Commissioner Piebalgs knows, because the positions were so far apart. The various bodies – General Secretariat of the Council, Commission services, secretariat of the Committee on Industry, Research and Energy – were then able to do their work.

The ball is now rolling so that we can start to make quite definite progress with the Czech Presidency, with a coordination letter having been sent, and so that in January we can work towards reaching an agreement before the end of the legislative term, which would round off a great legislative term for the European Parliament.

That is what I had the opportunity to say a moment ago with regard to Mr Paparizov's question.

Andris Piebalgs, Member of the Commission. – Mr President, I would like to thank the French presidency again, which has also done a good job on our internal market energy package, because we really have had some difficult moments in the Energy Council. Also, all the texts concerning the political agreement and the common position had to be translated in order to submit them to Parliament, which required a lot of work. I would also like to emphasise that there has always been very close cooperation between the French presidency and the forthcoming Czech presidency. I think the dossier is moving smoothly to the Czech presidency, whose ambition is, if there is political will from Parliament and from the Council, to find compromises on all five proposals. I believe it is doable, and the Commission will do everything in its power to facilitate it.

In the mean time, I would emphasise one particular event, which I believe is very important. As Mr Paparizov rightly said about consumers, we launched our Citizens' Energy Forum with consumer organisations in the autumn, which brings all the consumer organisations together to discuss the energy market package, so we need to broaden the scope of the agreement not only because of Parliament and the Council but also to achieve greater acceptance of the energy market in general by European citizens. It is also very important to see in all this process that not only companies will benefit but also that citizens and industries will benefit. Sometimes debates are misleading, because all the unbundling is actually done for the sake of consumers. I think that is a very important point and we will need to address this issue of strengthening our proposal during the trialogue that we will start in January. I am convinced that during the first week that we will meet here there will be this trialogue. It depends on the Czech presidency, but I know its ambition and I know the

readiness of the Commission to move ahead. So I hope that we can do it all in Strasbourg and I will convey the message to the Czech presidency about your wish and willingness to work hard on the dossier.

President. – The debate is closed.

19. Cross-border enforcement in the field of road safety (debate)

President. – The next item is the report (A6-0371/2008) by Mrs Ayala Sender, on behalf of the Committee on Transport and Tourism, on the proposal for a directive of the European Parliament and of the Council facilitating cross-border enforcement in the field of road safety (COM(2008)0151 - C6-0149/2008 - 2008/0062(COD)).

Inés Ayala Sender, rapporteur. – (ES) Mr President, I shall begin with a long list of acknowledgments. I must first of all thank the Commission for having submitted a document that provides us with an urgently needed instrument. I must therefore thank the Commission, as represented here by Vice-President Tajani, for having done us this favour of giving us an instrument that today, in 2008, is absolutely necessary after a really poor 2007, in terms of the progress in road safety that had been made before then. It is particularly necessary since we are now very close to the deadline – which is just two years away – for fulfilling the commitment and meeting the target set by all the European Union Member States of reducing road deaths by half. I therefore thank the Commission for that.

My thanks also go to the French Presidency (even though they have just left this Chamber), because I believe they convinced us, through their efforts and tenacity, that it was possible to make progress with this dossier. It proved to be complicated at the beginning because of its implications, but they convinced us that it was worthwhile.

I have to say, however, that subsequently, bearing in mind that there were other more important dossiers, we did have some problems when it came to understanding the motives of the Legal Service. We thought that it should always help the presidencies-in-office to advance their priorities and objectives, but in this case we found instead that it was of little use to us.

At one point, the Justice and Home Affairs Council put forward some conclusions with the best of intentions, but they did not help us maintain the strict approach that this text or instrument that we were working on was strictly a road safety instrument designed to prevent road traffic problems and accidents and driver impunity.

Lastly, I give special, warm thanks to the shadow rapporteurs, particularly Mrs Fouré, who worked alongside me in the sense that we made a good team at improving this text, as well as the rest of my fellow committee members, Mr Cocilovo, Mrs Lichtenberger and my other colleagues. I think together we have finally succeeded in moulding a better text.

I believe we have succeeded in rounding off the procedure or system in those areas where certain issues were missing, such as getting subsequent administrative offences once the information has been exchanged and notification made. In the case of those Member States where these offences are administrative in nature, a complementary procedure was lacking, and I think we have at least proposed a possible solution.

It is also significant that we have enhanced the controls. We are aware that we do not normally have a chance to enhance controls in matters of road safety, and in this case the Commission helped us.

It was also necessary to guarantee personal data protection, to recognise the work done by victim support groups, and to explain how this system should affect motorists.

We therefore do not understand why the Council has decided to stick to a position and a legal basis that does not help us in any way at all. Instead, it blocks any possible way forward. I must point out in this respect that we in Parliament and the Commission are convinced that the right basis is a road safety basis, and that this is an important first step towards improving precisely this area, which all of Europe's citizens are hoping will be improved. It must therefore remain a third pillar subject. The third pillar is about to expire, however, since the Treaty of Lisbon (ratified by the Member States, which are now dragging their feet in the Council) aims to eliminate the third pillar. Some of them now see it as something to brandish to stop this text progressing.

We hope and trust that the problems caused by the legal basis will be resolved. (The people will not understand when we explain to them why we cannot give them a basic instrument to improve road safety and prevent the impunity of those non-resident drivers who drive across our countries and break the law because they feel they cannot be punished.) We really cannot understand how those problems can continue. Hence we call on the forthcoming Czech Presidency to put aside its reservations and take a step forwards for the sake of road safety.

Antonio Tajani, *Vice-President of the Commission*. – (IT) Mr President, ladies and gentlemen, I would like to begin by thanking Mrs Ayala Sender for the commitment she has lavished on this work, which she has truly carried out with passion, tenacity and great objectivity.

The Commission's efforts therefore – I have to tell you again – have one major objective, that of road safety. As concerns the content, however, we have examined Mrs Ayala Sender's text, the amendments she has tabled, and we have no objection to them; on the contrary, the Commission feels that this report points in the exact same direction as the proposal we presented, even helping to improve the quality of the text in certain respects.

For example, the European Parliament sees the electronic network established for the exchange of information as a tool to be managed at Community level in order to guarantee the protection of European citizens' personal data. I can only say that I support these amendments that map out and specify the scope of the proposal. I also believe that some of the amendments really strengthen the proposal we presented.

I refer to the amendments guaranteeing the follow-up of road traffic offences falling within the jurisdiction of administrative authorities and the amendments proposing the drafting of guidelines on monitoring methods and practices for Member States. These are all essential elements for ensuring road safety and achieving our target of at least halving the number of deaths caused by accidents on European roads. I would remind you that more than 40 000 people die on Europe's roads every year; in 2007 the figure was 42 500. If we consider that this is more or less equivalent to one plane crash every day, it is clear that this is an often underestimated tragedy. We are clearly not accustomed to thinking about how widespread the problem is.

We ought, of course, to do more, much more. That is why I welcome Parliament's swift action on this matter, and would like to thank Mrs Ayala Sender once more, as well as the Committee on Transport and Tourism, for the work they have done and for having grasped what is at stake here: the safety of all European citizens. Parliament and the Commission are in perfect harmony on this, both insisting on the need for urgency in introducing laws that can make a real difference in reducing road accidents.

Unfortunately, at the last meeting of the Council of Ministers we did not manage to achieve a consensus among the Member States. The French Presidency did try to mediate, but on 9 December we had to face the fact that, despite an agreement on the overall strategy to reduce the number of deaths, many Member States were insistent on the question of the third pillar. While the Commission and Parliament share the same views on the first pillar, many Member States are still talking about the need to regulate the issue under the third pillar.

This strikes me as a complete contradiction, and I want to say so publicly before this House, repeating what I said at the Council of Ministers. We cannot understand how the European Council can decide to seek agreement on adopting the Treaty of Lisbon with a new referendum in Ireland – as you all know, the Treaty of Lisbon abolishes the third pillar – at the same time as Member States are saying that we need to regulate all action on collecting cross-border penalties on the basis of the third pillar. This seems to me to be a huge contradiction that can lead to no positive outcome, and because of legal wrangling we are wasting time and are unable to take practical steps to provide citizens with practical help.

Road accidents are no theoretical matter; they are a reality that could affect any European family, including our own, at any time. It is our children who are on the roads, coming home from the clubs on a Saturday night or going to play football or going to parties. We should keep that thought in mind; this is not a question of legal wrangling and we have no time to lose.

I regret that there is no one from the Council here this evening, as I would like to make another heartfelt appeal – and I think I can do so on behalf of Parliament too – asking the Council to change its position and for the Transport Council to take the same line as the European Council. We must look to the future, we must look to the Treaty of Lisbon. We all hope that it can enter into force soon, because I do not think we can afford to keep looking backwards when it comes to a question of protecting the lives of us all.

Brigitte Fouré, *on behalf of the PPE-DE Group*. – (FR) Mr President, I must firstly thank Mrs Ayala Sender for her report because our work was in fact very constructive. She took into account most of the amendments tabled by the various members of the Committee on Transport and Tourism to ensure that we arrived at a draft directive that could be adopted, if not unanimously, at least by a very large majority in the Committee on Transport.

I would remind you, as has already been mentioned, of the aim of this directive, which is road safety. The aim is firstly to reduce the number of fatalities and injuries on Europe's roads, because it is a real disaster and tragedy that unfolds every year before our eyes. This aim is obviously shared by the 27 Member States and by all the Members of the European Parliament, and it makes sense to repeat that. The aim is therefore to save lives and, at the same time, to end the discrimination that has existed to date between national drivers and drivers from other Member States. It is not acceptable that two different drivers are treated differently on the roads of one country. This is absolutely intolerable and cannot continue, particularly when – and I repeat – it is lives that are at stake.

The offences covered have been rightly chosen as the ones causing the most accidents: speeding, drink-driving, failing to stop at red lights and, finally, not using a seat-belt. It is therefore absolutely vital that we pursue this directive.

Lastly, I would remind you, as the Commissioner did a moment ago, that the Council of Ministers issued reservations with regard to the third pillar and so on. However, I believe that, for the sake of human lives, we must find legal solutions and in this respect I sometimes have the impression that the legal quibbles are just a pretext. I believe that the challenge is to eliminate these real tragedies from our roads, as these are not appropriate in our Europe. Europe absolutely has to help us protect these human lives which are ended every year.

That is the challenge of this directive, and I hope that the European Parliament will deliver a very large majority, if not unanimity, so that we can ensure that progress is made on this issue during the Czech Presidency.

Silvia-Adriana Țicău, *on behalf of the PSE Group*. – (RO) I would first of all like to thank Mrs Ayala Sender for her report on a subject which is extremely important. Some 43 000 citizens lose their lives on Europe's roads and roughly 1 300 000 citizens are involved in accidents. The 43 000 fatalities on Europe's roads are the equivalent of a medium-sized air crash every week. I feel that we can no longer tolerate this situation.

I would like to mention that the directive being proposed does not refer to criminal sanctions or to the points systems where they already exist in Member States. I would like to call for data to be transferred between Member States in a manner which guarantees its confidentiality and security. Communications between Member States should also include the methods of payment available and the currency which will be used to make this payment.

In addition, if the central authorities in the Member State of residence are going to decide not to go ahead and apply the financial sanctions imposed by the Member State in which the offence took place, this must be reported to the European Commission without fail. I believe that this directive is extremely important. This is why I hope that the European Parliament's vote on this matter will also help the European Council to take a step in the right direction, in other words, to approve this directive. This is an absolute must. Thank you.

Bilyana Ilieva Raeva, *on behalf of the ALDE Group*. – (BG) Mrs Ayala Sender, I would like to begin by congratulating you for making one of the most tragic social problems our common political priority. Nowadays, the loss of human life, as you said Commissioner, is far above the figure we want to see at a general European level.

We have almost 70 standards for various spare parts for cars, but at the moment, we do not have a directive to curb the number of people losing their lives on the European Union's roads. This is absurd. The safety of human lives on our roads is no less important than the environmental standards which we impose on Member States. In this context, we need to support, in tomorrow morning's vote, Mrs Sender's report proposing mandatory cross-border sanctions for four main offences which account for more than 75% of fatalities on the road.

Implementing cross-border measures against these offences will limit the number of serious and fatal accidents and will bring us closer to a reduction target of 50% by 2010. General road policy is based on the European

Union's general road legislation and on general standards, but not necessarily using the same benchmarks. We are talking about red traffic lights and speeding, but we are not talking about the operation of traffic lights or roundabouts, or about not using mobile phones and smoking when driving, or about driving courses in the European Union or general fines which would have shocked even the most hardened offenders.

If, at the moment, a Hungarian driver is allowed to break the highway code in Germany and is not punished in any way for this, introducing this directive and your proposals will ensure that he will be punished in his own country. The European Union needs a general European policy on road safety that will establish a safety level sufficient to protect human lives on our roads, which Member States are not allowed to deviate from.

We can rely, of course, on the Commission to punish governments which have not dealt properly with waste, which have failed to observe the Working Time Directive or which have harmed the environment. Do we not need then mechanisms which will guarantee that national road death figures do not exceed any average European values?

In this context, I would once again like to emphasise how important it is that we adopt generally accepted European accident indicators as our yardstick. I believe, Mrs Ayala Sender, that your report makes progress towards creating an integrated pan-European road safety policy. This directive will provide the basis for a Europe without road offences, without borders and without any chance of breaking the rules.

Eva Lichtenberger, *on behalf of the Verts/ALE Group*. – (DE) Mr President, first of all my thanks go to our rapporteur. She made a great effort in this area, which unexpectedly turned into a very controversial issue, to reach a consensus, including with the Council. The Council is taking a very illogical and a very un-European stand on this question, as the primary objective of a number of governments is obviously to protect their own fast drivers, tailgaters or drunk drivers, regardless of whose lives they endanger.

What happens at the moment is that people comply with restrictions in their own country but, as soon as they cross the border, they grow a lead foot and cannot get the accelerator off the floor, precisely because they need not worry about having to pay a fine. One thing must be made clear: small countries or countries with a great deal of tourism find it particularly difficult to secure understanding from their own citizens about penalties, that is about law enforcement, if the latter are absolutely sure that others are, in practice, under no threat of penalty.

So when I have a tailgater behind me on the road, who is driving right up behind me and has a number plate from another Member State of the European Union, I have to ask myself if it is because my life is worth less than a life is worth in his country that he only gives people in his own country a safety margin? That is not right, it is not European and it reduces road traffic safety.

We have achieved a good text. Of course something is still missing: the question of data protection, for example, has not been clarified sufficiently. However, I ask you in closing to please support my tabled amendment on the EUR 70 limit; then we will have cleared up much of the debate on imbalances. The point here is simply that an astute level of fine would be a sensible limit.

Sebastiano (Nello) Musumeci, *on behalf of the UEN Group*. – (IT) Mr President, Mr Tajani, ladies and gentlemen, 40 000 deaths a year is a horrifying statistic.

If not yet a disaster, road deaths are certainly an extremely serious social phenomenon, in the face of which Member States can often do no more than keep discouraging records and generate alarming statistics. It is the product of greater personal mobility, some will say; it is the product of increasing mechanisation, some will say. Of course, but it is also the consequence of a dilatory policy of prevention on the one hand and repression on the other by Member States and, indeed, the European Union, which up to now has been unable to secure a common road safety policy.

A recent survey conducted by the Italian office of statistics found that, in 2007, night-time accidents between Friday night and Sunday morning accounted for 44% of all road accidents in Italy. The irresponsible behaviour of those who get behind the wheel is, however, unfortunately not limited to any one country, so it is crucial that we examine this proposal for a directive, which attempts to discourage car drivers from committing road traffic offences wherever they may be, with the aim of halving the number of deaths on the road by 2010.

This is a good thing, but in at least some cases further improvements are required. Let me give just one example: the follow-up of offences. My opinion, Mr Tajani, is that we should follow Switzerland's example. In Switzerland anyone who commits a road traffic offence is stopped a few kilometres later by a traffic patrol

and one of two things happens: either the driver pays the fine immediately or their car is confiscated until the penalty is paid.

I am perfectly aware that such a policy is not easy to implement and that it may seem drastic, but it is undoubtedly effective, and, moreover, we all know that you cannot cure cancer with an aspirin, and it is metastases we are now facing. Mrs Ayala Sender's report is nonetheless a good report and will of course receive my support.

Luís Queiró (PPE-DE). – (PT) Mr President, my colleague Ari Vatanen, who is a well-known champion of motor sport, often says that we all have to die one day, but he adds that this does not have to happen at the wheel of a car. Since 2005, however, the number of victims of fatal road accidents has not fallen as it should. The 2007 figures reinforce our concern. It is these fluctuations that best demonstrate how much we still have to do.

We are all aware that sanctions imposed for many offences committed on the territory of Member States other than the driver's country of residence are most frequently not enforced. The proposal for a directive that we are now debating rightly outlines an electronic data exchange system which aims to facilitate the cross-border enforcement of financial road traffic penalties, focusing on the four most serious offences in terms of human lives in Europe. This system is justified in itself. However, the rights of citizens with regard to the protection of their personal data must be safeguarded.

The European Commission's evaluation of the directive's implementation is therefore essential and should be rigorously carried out. There is still the problem of the different legal categorisation of offences according to the Member State in which they are committed. In some cases, these offences are merely administrative, whereas in others they are criminal offences. In some cases they are accompanied by additional penalties, such as a driving ban, but in others they are not. This is not the time to go into technical detail, but it is the time to call for the best solutions for implementing the directive to be studied for the future.

The rapporteur, whom I must congratulate, in fact suggests possible solutions that include the harmonisation of both fixed penalties and also road safety control practices and equipment. In our opinion, there are also doubts about the effective right of appeal when the driver does not agree with the penalty applied. Will this right be properly guaranteed where the appellant has to appeal in a jurisdiction and against laws which are not those of his country of residence? This is a question which I leave for Commissioner Tajani to answer.

Lastly, drivers must be properly informed about their new rights and duties. Only in this way will they see this initiative, not as a repressive instrument, but rather as a way of encouraging behaviour behind the wheel which is safer and more respectful of other people's and their own lives.

President. – Thank you, Mr Queiró. For my part, I would like to reassure you. I use a moped more than a car, but I would like to avoid dying when I am on my moped too, not just when I am in my car.

Robert Evans (PSE). – Mr President, this is an important dossier, and I am disappointed that the Council is not here, because it now has a crucial role to play as the direction of its thinking is, I understand, rather different from that of this Parliament.

Ms Ayala Sender referred to concerns about the legal base. While I support the principle of cross-border enforcement, it has to be legally sound and stronger than it is now.

The offences covered by this proposal are limited to speeding, drink-driving, the seat belt and not driving through a red light. Ms Fouré said that these cannot be tolerated and Ms Ayala Sender spoke of people getting away with it. I hope that, as we approach the next phase of discussion, we will address this aspect of getting away with it. People who get away with drink-driving, speeding or jumping red traffic lights are a danger to other citizens, but they are often, I would argue, the very same people who think that other rules of the road do not apply to them, whether we are talking about parking restrictions, congestion charges or, as Ms Raeva said, driving using a mobile phone. There are also those who ignore innovative measures such as low-emission zones. These are very important issues and no one should ignore them. We need cross-border, pan-European enforcement to counter them all.

All the people who break the laws contribute to those 42 000 deaths which the Commissioner spoke about earlier. If there were 42 000 deaths in any field of European activity other than driving, we would be up in arms about it day after day, week after week, month after month.

Colleagues, together we must act to strengthen this piece of legislation second time around for all our citizens in the 27 EU Member States.

President. – I would like to let you know that the Council Secretariat is present and taking full note of what is being said. I say this for the benefit of those of you who have spoken and in light of the comments made. Mr Rack, you have the floor for two minutes.

Reinhard Rack (PPE-DE). – (DE) Mr President, Commissioner, it is good that we at least agree on jointly prosecuting four common offences, but what is important in reality is that these traffic offences really are punished, not just that we say we agree that numerous offences should be prosecuted.

The key problem is in fact that numerous Member States do not prosecute what needs to be prosecuted. That being so, I consider it incomprehensible – and we need to say this loud and clear – that some Member States – and they are also primarily those who do not want to punish traffic offences from other Member States – are hiding behind the legal question and the conflict of competence. What is important here is that we abide by the basic position taken in the Lisbon Treaty.

In any event, what is important is that Member States should not protect their citizens from what they get up to in another Member State. This being so, I am really sorry to have to reproach the Commission – but reproach it I must – and ask why no one has ever considered instituting or at least threatening to institute infringement proceedings against the Member States which systematically fail to punish certain offences.

I think that would be a reasonable approach, a very clear signal that this really is a genuine concern on the part of Europe and the European Community and I would therefore specifically advise it.

A second point that is important in my opinion is why we do not also integrate candidate countries into this system? I come from a country in which there are a great many drivers from neighbouring countries which are not yet or which are barely Member States of the European Union and I consider their *carte blanche* in our country to be totally unjustified.

Bogusław Liberadzki (PSE). – (PL) Mr President, Commissioner, I should like to congratulate Mrs Ayala Sender on her excellent report. It is the latest of the many very good reports prepared by one of the best colleagues on this committee.

Four causes of accidents and four areas for regulation at European level have been identified. These are speeding, not wearing seat-belts, drink-driving and failing to stop at red lights. These really are very significant factors in relation to accidents.

Commissioner, your stance as regards the European Council sounded very drastic. It is most unfortunate that our ministers are approaching as fundamental an issue as road safety in this manner. This matter concerns our Union space, which is an open space. Impunity or a sense of impunity is the true source of irresponsible behaviour.

I should like to refer to another very important factor. Union citizens are treated differently depending on which country's territory they find themselves on. An effective system is called for. It needs to be understood that penalties will be enforced regardless of the geographical area of the European Union concerned. If the regulation under discussion helps to bring this about, we shall be able to count it as one of our successes. I am particularly pleased to have been able to take the floor, as I am familiar with the situation in my country, Poland, where 5 600 lives are lost on the roads every year.

Justas Vincas Paleckis (PSE). – (LT) The black meter recording fatal car accidents on European roads is still turning threateningly; having constantly been in decline, the number of deaths has stabilised in recent years. New efforts are required to realise the EU goals outlined. The European Commission has drafted and prepared proposals, the rapporteur has added her own and here we have a report, which is important to everyone, on the application of penalties for road traffic offenders from other Member States. The number of deaths varies greatly across the countries of the European Union. Five times as many people are killed on Lithuania's roads as in the old EU Member States. Without wishing to transfer the main burden to Brussels and while stressing Member States' responsibility, I still have no doubt that the European Union should gradually reach a common or at least coordinated policy on driver behaviour on the roads and regulations. This has already been discussed and I agree entirely.

All the more so because, following the expansion of the Schengen area, an increasing number of cars with various Member State registration plates are appearing both in old and new European Union Member States.

We are all interested in seeing an intelligent driving culture spread throughout the entire European Union, in seeing the disappearance of the feeling of impunity: 'in a foreign country I will drive and park as I usually do, no one will find me any way'. Those Member States which oppose the proposals for this directive, whether they want to or not, make that black meter turn faster.

Zuzana Roithová (PPE-DE). – (CS) Finding and punishing foreign drivers who commit traffic offences in the European Union may be an unpopular proposal but it is completely logical and practical. It is inconceivable that Member States can agree on harmonising new safety features of vehicles manufactured for use on EU roads in order to decrease the impact of traffic injuries, and yet not want to agree on their prevention. A proposal for a computer system allowing Member States to share information on traffic offences should be self-evident in an environment where in reality people have moved freely for years.

However, it would also be useful to harmonise the systems of traffic offences. I am aware that it would be difficult to apply the same yardstick to southern Italy and northern Europe, and even possibly some rules do not always lead to the same traffic offences or gravity of these offences. However, in my opinion, the EU countries should be able to agree on the main offences which are known to account for most traffic accidents year in and year out. Of course I support the proposal from the Commission and the rapporteur.

Marios Matsakis (ALDE). – Mr President, it is amazing that it has taken so long to attempt to pass legislation to give the arm of traffic law the potential to cross EU Member State borders in order to save lives. It is even more amazing that the Council is hindering this from happening. It is also amazing that we set maximum speed limits for our cars, and then we produce vehicles that can travel twice or three times the maximum limits. It is also amazing that we have legal alcohol limits for drivers, and yet we bombard our citizens – especially in the festive season – with alcohol advertisements. And we especially associate alcohol intake with sex appeal and manhood, in some cases.

Commissioner, please do not give up your fight. Please, fight with us against the Council, which is absent today, in order to save lives and make our roads a safer place to be.

Antonio Tajani, Vice-President of the Commission. – (IT) Mr President, ladies and gentlemen, I must thank all those who have taken part in the debate. They have lent weight to the decision that I hope will be taken by this House tomorrow, as well as to the Commission's work in the Council. It will not be easy, but I believe that together we will get there in the end.

I must emphasise the seriousness of the traffic offences that we are discussing, which cause the majority of fatal accidents. Allow me to go back over a few statistics with you: on the basis of the 2007 impact assessment, which includes evaluations of the previous three years, 30% of road deaths were caused by speeding, and 25% by drink-driving and, I should add, by driving under the influence of drugs. That is why I support Amendment 38 tabled by Mrs Lichtenberger, which adds certain enhancements to the Commission's text. I have my doubts about the EUR 70 issue because it would make for unequal treatment.

Seventeen per cent of accidents are caused by failure to wear a seat-belt, and approximately 4% by jumping red lights. In total, 75% of road traffic deaths are the result of one or more of these four violations of road traffic laws. I think that is all I have to say. For the sake of clarity, let me turn to the Council, to those representing the Council, the General Secretariat of the Council, and repeat what I said a few days ago at the Council of Transport Ministers: it is not the Commission's intention to reduce Member States' powers; we are interested only in reducing the number of deaths on the roads in the European Union. In so doing we intend – to answer Mr Rack, as well – never to hide behind the application of laws.

As far as the offences are concerned, we have stood firm against the Member States, but only on matters concerning forms of transport other than cars, because this is the first time that we have taken action in the automobile sector. We have legislation on driving heavy goods vehicles, but not cars. Thus I believe that, thanks to the encouragement received from this House today, we at the Commission – I can assure you all, and Mr Matsakis – are pressing onwards; we do not intend to stop because, I repeat, when it comes to saving human lives, no legal objection can block the actions of those who have political responsibilities towards half a billion European citizens.

To conclude, Mr President, I hope that this Christmas and New Year will give time for reflection to all the ministers who have had concerns about the text that the Commission, with Parliament's support, presented to the Council. Finally, as this is the last speech I will make before the Christmas break, Mr President, on behalf of the Commission, I would like to extend my best wishes to all the honourable Members, the Presidency and the whole of Parliament.

President. – Thank you Mr Tajani. We do of course return your good wishes, and, as for the Council, we will be ready on Twelfth Night to deliver great sacks of coal if they are naughty!

Inés Ayala Sender, rapporteur. – (ES) Mr President, I was going to make a complaint to you precisely about the non-attendance of the Council, but I see that there is in fact one person representing it, although I would of course have preferred to have a direct representative of the Presidency here. The fact is, however, that Mr Borloo was very tired.

I would like to thank my fellow Members for their comments. I can assure some of them that we have talked to the European data protection supervisor to ensure that personal data will remain totally confidential. Specifically with regard to procedural guarantees, we have tried, with the inestimable help of the Commission and Parliament's legal services, to address all those that are possible at this stage of the directive.

As for the Swiss system, I can assure you that the problem at the moment is that our police normally cannot exchange data on non-residents or notify them. In those cases where they catch them they do make them pay, and that happens in all our Member States. However, those data cannot be obtained when radar or cameras – that is to say, mechanical means – are used, and that is the system that we are implementing right now.

I would just like to thank everyone for their patience, because in some areas we were unable to expand on the work being done by, for example, Mr Evans, Mrs Lichtenberger and Mrs Ticău. Nevertheless, there is the review clause. The Commission has assured us that it allows for an assessment to be undertaken in the two years after the directive is implemented and for new aspects to be introduced as appropriate at that time.

For that to happen, of course, the directive needs to be adopted. To that end, we need political solutions and not petty legal stratagems. I therefore thank both the Commission and the French Presidency and, above all, my fellow Members, not only for their patience and support but also, I hope, for tomorrow's vote. The vote needs to be as unanimous as possible so that, alongside the Commission, we can stand up to the new Czech Presidency and stress the need for it to move forward in getting this directive approved.

President. – The debate is closed.

The vote will take place on Wednesday 17 December.

Written statements (Rule 142)

Zita Pleštinšká (PPE-DE), in writing. – (SK) Speeding, drink-driving, failing to use seat-belts and not stopping at red lights are the main causes of the fatal accidents that occur frequently on European roads and the EU is therefore trying as a first step to harmonise the rules for these four offences.

I consider the directive's contribution to be a unified European approach to the collection and levels of fines and to the use of a computer network for exchanging information. On the minus side there is the lack of awareness among drivers concerning changes to the rules on collecting fines within an EU framework.

I consider it important that the Commission, together with the Member States, should run an information campaign in order to provide citizens crossing borders into other Member States with advance information about the legal consequences of breaking the law in terms of the levels and imposition of possible fines. Drivers must have the right to receive notices in a language that they understand, especially where the delivery of a notice would have legal consequences. They must be made aware of the validity of rulings, of appeal options and of the consequences of failing to respond.

I believe that this directive will make drivers drive more carefully and safely and the directive will contribute towards a reduction in fatal traffic accidents on European roads where 40 000 people died in 2007. I support the adoption of the directive on simplifying cross-border regulations in the field of road safety and I therefore welcome the report of Mrs Ayala Sender, the rapporteur.

20. Securities settlement systems and financial collateral arrangements (debate)

President. – The next item is the report (A6-0480/2008) by Mrs Kauppi, on behalf of the Committee on Economic and Monetary Affairs, on the proposal for a directive of the European Parliament and of the Council amending Directive 98/26/EC on settlement finality in payment and securities settlement systems and

Directive 2002/47/EC on financial collateral arrangements as regards linked systems and credit claims (COM(2008)0213 - C6-0181/2008 - 2008/0082(COD)).

Piia-Noora Kauppi, *rapporteur*. – Mr President, I have had the pleasure of being the rapporteur on this topic of settlement finality in payment and securities settlement systems and the directive on financial collateral arrangements. I am leaving Parliament tomorrow – this will be my last legislative report for the European Parliament – so please accept my sincere apologies if I am a little bit emotional tonight.

This is not the most political of items. Sometimes what we do in the European Parliament is quite technical, but I am absolutely sure that this directive, this legislation, will also help Europe to go forward.

The aim of this legislation is to update the directives in line with the latest market and regulatory developments. The main change brought about by the settlement finality directive is to extend the protection of the directive to cover night-time settlement and settlement between linked systems; this is very important, since the number of links and the need for interoperability have lately increased immensely. The MIFID directive, on which I also had the honour to be rapporteur in this House, and the European code of conduct on clearing and settlement systems are expected to become increasingly operable, and that means that we have more need to coordinate our settlement and financial collateral arrangements.

Regarding the Financial Collateral Directive (FCD), it is very important to accept credit claims as financial collateral. The European Parliament also wanted to extend the scope of what is accepted as collateral to interbank credit claims. For me it was acceptable for credit for micro-enterprises and small enterprises to be excluded, like consumer credits.

The establishment of a harmonised legal framework for the use of credit claims as collateral in cross-border transactions helps enhance market liquidity and ensures the proper functioning of settlement systems in rapidly evolving markets. The new directives also introduce several simplifications and clarifications and definitions. These solutions will make an important contribution to strengthening the tools for managing instability in financial markets.

My aim was to reach a compromise at first reading, so we were negotiating with the Council and Commission the whole time. I have also negotiated with other political groups, with Ms Berès and Ms Starkevičiūtė especially, in order to achieve a compromise that could satisfy everyone in the Parliament. I am very happy that the report was unanimously accepted by the Committee on Economic and Monetary Affairs.

In the end I am also quite content with the compromise that will be voted during this week's part-session. On most of the issues the negotiations went well and we agreed on the basic lines of this legislation. However, there were a few controversial issues as well and I did not get all the goals through.

During the negotiations I was not able to get the support for the ECON proposal to amend the definition of the system which would have made it possible to grant the protection of the directive to systems based on the ECB legal act, and would have allowed the European Central Bank to designate such systems itself. I am happy that the European Commission stated during the negotiations that it is in principle in favour of such an amendment and will probably table a proposal to this effect in the near future.

Regarding the financial collateral directive and the notifications, I could have wished that all the Member States had already abolished the notification requirements, which in my view only add bureaucracy and do not advance any particular objective; however, as I learned that this issue was extremely sensitive to some Member States I am quite satisfied that we got a review clause written in.

I think that after five years the few Member States that still want to request these ex-ante notifications can be persuaded to end this unnecessary practice. As I mentioned already, I am happy that we were able to find a compromise that we could all agree on. I hope that you, my fellow colleagues, will vote on this legislation on Thursday.

Finally, I would like to say that it has been a pleasure to work with all of you during these years. It is my 20th legislative report and it will be the last. I shall miss this Parliament, this House, and all of you.

President. – Ms Kauppi, once again we thank you for your work and we wish you all the best for your future.

Charlie McCreevy, *Member of the Commission*. – Mr President, I would like to thank the rapporteurs, Ms Kauppi and Mr Sakalas, of the Committee on Economic and Monetary Affairs and the Committee on Legal Affairs respectively, for their fast and very efficient work on this file.

The directives on settlement finality and financial collateral are working well and enjoy wide support in the market. Nevertheless, I am glad that we have been able to agree, in less than eight months, on the necessary adaptations to bring them fully into line with the latest regulatory and market developments. This is important for financial stability and in particular for the continued proper functioning of settlement systems, which become increasingly interlinked, while keeping their own identity. There was no need to create super-systems, and this is clearly spelled out in the amendments.

My services started preparing the Commission proposal in early 2007, before the onset of the ongoing financial turmoil. But I believe the changes we have proposed are vindicated by the challenges which the turmoil has raised. The establishment of a harmonised legal framework for the use of credit claims as collateral in cross-border transactions will further enhance market liquidity, so badly needed in the present environment.

We expect that, with easier rules, credit claims will be used more frequently in the future. Of course, this depends on the demand in the market for other forms of collateral. However, we have seen during the first months of the financial crisis that the demand for credit claims was growing, for instance as compared to the notorious asset-backed securities. The explanation is simple: as long as credit claims are not bundled together, which is the case with securitisation, the collateral taker is able to assess their creditworthiness on an individual basis before deciding whether or not to accept them. What you are asked to agree on by the voting on the report by Ms Kauppi is to facilitate the use of credit claims by abolishing some formal requirements.

The Commission undertakes that in five years' time it will report back to you on these changes. In particular we will look at how the abolition of the obligation to register or notify the debtor on the provision of credit claims as financial collateral is working, especially in those Member States that, for the time being, are hesitant and want to opt out from Article 3(1) of the Financial Collateral Directive.

Let me take this opportunity of wishing Piia-Noora Kauppi well for the future. I know she is going back to a very interesting position in Finland. During my time as Commissioner she has been exceptionally cooperative and helpful and always gave the utmost in any task that was assigned to her by Parliament. I know she will make a great success of her future career, and I wish her and her family well.

Aloyzas Sakalas, *rapporteur for the opinion of the Committee on Legal Affairs*. – Mr President, I was appointed by the Committee on Legal Affairs to draft the opinion for the main report by Ms Kauppi in the Committee on Economic and Monetary Affairs. I submitted two amendments. The Committee on Legal Affairs approved the draft opinion and is in favour of my submitted amendments that the European Central Bank should be able to designate and notify their own systems directly without interference from the German Bundesbank or other national authorities.

We had a dialogue with experts from the Central Bank, Council and the European Commission. The experts from the Central Bank gave a statement and expressed their strong support for the amendments tabled by the Committee on Legal Affairs. Conversely, the Council had difficulties in the working groups to find a compromise agreement on one of the tabled amendments because Member States are not in favour of giving the ECB the right to designate and notify their own systems directly. I regret that this tabled amendment was not approved by the Council, but I believe that there is a great opportunity to raise this topic in the near future.

IN THE CHAIR: MR VIDAL-QUADRAS

Vice-President

Othmar Karas, *on behalf of the PPE-DE Group*. – (DE) Mr President, Commissioner, Mrs Kauppi, ladies and gentlemen, allow me – as I can now speak for the group – to start by saying that I thank Piia-Noora Kauppi on behalf of my group, not just for her immense commitment, but above all for her expertise and for her devotion to the work of Parliament and, hence also, for her willingness to compromise. With her, you always know what she stands for and you also know that she approaches others. She returns to an exciting position and, more importantly, she will have more time as a mother. I thank you for the good cooperation and wish you all the best.

In this review, the European Union is again giving the right answer to the crisis on the financial markets. There are still far too many differences in the individual Member States and the harmonisation undertaken is a step in the right direction. The crisis on the financial markets, as can be seen from this example, is also an opportunity for communication on the part of the European Union and for permanent improvement to

our European financial market system. I say quite clearly that guaranteeing a settlement system that functions properly, especially on fast-moving markets, is essential to the stability of the financial markets and, in times such as these, is even more important.

For me, there are three important points. Firstly, the coherent approach taken in these reports. Secondly, I support the simplification and easing in the application of both directives. Thirdly, I shall take account of the results of this report and this directive in my own report on the Capital Requirements Directive, so that they contribute towards a comprehensive report and allow a coherent approach.

Pervenche Berès, *on behalf of the PSE Group*. – (FR) Mr President, Commissioner, Mrs Kauppi, please allow me, on behalf of the Socialist Group in the European Parliament, to add to the positive comments that have already been made. It is true that, when negotiating with you, we always know where we are. You have your opinions but at least, when negotiating with you, everything is very black and white. In the end, we knew exactly where we were and could therefore make progress. You again demonstrated your capacity to work with everyone. In my opinion, this is a particular feature of this Parliament's intelligence. In this specific report, this is what allowed you, as we all wanted from the start, to arrive at an agreement at first reading.

At heart this report concerns an issue on which the Commission is sadly lacking. This is the post-market issue on which, following adoption of the Markets in Financial Instruments Directive, we would have liked the Commission to come forward with weightier proposals for organising, structuring, supervising and regulating the market, known as the post-market.

This report is a very small, very legal and very technical building block, which is useful, but it cannot hide the enormous task before us, on which we are still awaiting proposals from the Commission. The results of what the Commission wanted to start with the code of conduct are very limited. We are now awaiting the assessment of this and we are quite disappointed, just like a number of stakeholders in the market who can clearly see that self-regulation is not enough in this area.

Two main difficulties emerged in the specific and very precise text that we have before us today. The first was to decide whether the European Central Bank should be given specific powers in this measure. I believe that useful suggestions were made. However, the Council did not want to go beyond the current situation and, due to our wisdom and sense of responsibility, we accepted this compromise. This therefore led to the balanced proposal that is now on the table and that we must acknowledge.

The second important element was to ensure that the way in which the systems linked together did not in itself create autonomous systems. Once again, the position adopted by Parliament is a reasonable position which allows this link to be ensured without, however, giving it an autonomy that we did not want to create through this text.

There are obviously still many issues to be tackled and I hope that the Commission, through its monopoly on initiative in this area, will shoulder its responsibilities.

Margarita Starkevičiūtė, *on behalf of the ALDE Group*. – (LT) The document presented only appears technical. In truth it ensures the functioning of a safe securities settlement system, which is important for many people who are members of pension funds, insurance schemes or investment schemes. The rapporteur's document is excellently prepared, as are all of her documents. I am very pleased that I had the honour of working with her in the preparation of many financial documents and I am very sorry that today is her last day in the European Parliament. We – the Group of the Alliance of Liberals and Democrats for Europe – can agree with this document, as our position is reflected in it. What is that position? Firstly, we believe that the European Union's common market of securities settlement must be expanded, as it is very fragmented. We do not, however, want to see the establishment of a monopoly; therefore we believe that in the report presented, conditions have been created to flexibly form a cooperation agreement for various systems and to introduce new links.

On financial collateral arrangements, we thought it very important that procedures be simplified and made clearer and that, in insolvency and various critical cases, it should be easier to resolve disagreements over property and that all conditions should be clearer. It seems that this goal has also been achieved.

Like the other rapporteurs, I am sorry that it has not been possible to solve the problem with the settlement systems established by the European Central Bank. I would very much like to urge the Commission to prepare a compromise proposal on this matter as quickly as possible, because the European Central Bank will have to devote more and more attention to the functioning of such systems and the question of their maintenance

should be resolved, which is perhaps what is stopping the expansion of these regulations to existing systems under the influence of the European Central Bank.

Dragoş Florin David (PPE-DE). – (RO) I would like to congratulate the rapporteur, Piia-Noora Kauppi, for her report concerning the directive on financial collateral arrangements, which contains three major amendments to the current directive. These are the exclusion from the directive's scope of application of credit agreements for consumers and small businesses; the introduction of a sunset clause of five years with regard to the right of Member States to require notification or registration, and last but not least, the widening of the directive's scope of application by proposing its extension to include inter-bank loans as eligible collateral, instead of just central bank loans as the original proposal suggested.

I believe that the amendments tabled comply with the European provisions in this area, which is one reason why I support the adoption of this report. I would like to conclude by thanking Mrs Kauppi for all her hard work in the European Parliament and I wish her every success in her new venture. Thank you.

Zuzana Roithová (PPE-DE). – (CS) I would like to thank you, Mrs Kauppi, for your work, professionalism and dedication in negotiating a compromise over the proposed directive, which will undoubtedly help to stabilise the financial markets. I congratulate Mrs Kauppi for achieving an agreement at first reading. I would also like to thank her today for all of her work in the European Parliament, not just for the 20 or so reports, which have included topics such as cultivating good practice in the banking sector, for example the codex mentioned earlier. However, Piia Kauppi has also shown her professionalism in discussions over many other reports. I appreciate very much the stance she is taking in our joint struggle against software patenting at a time when the European Union has no European patent. We will feel her absence until we perhaps negotiate this patent some time in the future. Thank you for your cooperation.

Charlie McCreevy, Member of the Commission. – Mr President, I would like to thank everybody for contributing to the debate and, as I said in my earlier statement, I wholeheartedly welcome Parliament's report.

The directives on settlement finality and financial collateral are the two cornerstones of the post-trading environment, and there is no doubt that the current amendments represent very substantial progress.

The Commission supported the ECB's request to designate systems directly to the Commission, but there is insufficient support at present in the Council. However, it is something that we will come back to and look at again in the near future.

Again, I express my best wishes to Ms Kauppi.

Piia-Noora Kauppi, rapporteur. – Mr President, I would like to thank my colleagues for their kind words and also the Commissioner for his cooperation over the years.

I would like to make a couple of political points, firstly about the code of conduct for clearing and settlement. I do not think the time is right to make the final judgement on the delivery of the code. This has been one of the reasons why some of the market participants have been against the development of links and interoperability. They say that there are problems in settlement finality and also with the coordination of different rules. I think that when we now accept this directive it will make it easier for market participants to accept links and interoperability with their systems.

The second issue concerns the ECB. I think that we can cooperate more with the Commission, especially in creating a Community approach to different topics. We already have a practical development which leads to Community systems, and the ECB has been creating network-based systems which do not operate under any particular Member State law. It would be stupid not to take this everyday practical development on board when we are trying to update European laws. So I am very happy that the Commission will be taking a look at this issue. Perhaps the time will be right during the next parliamentary term to make these ECB-established systems part of the Settlement Finality Directive.

Finally, concerning the Hague Convention, we have seen how difficult it is to agree on details when this has to be done through European Community directives. It is very important to go forward with the Hague Convention and with the negotiations on different private law issues. It was particularly difficult to try to find a compromise on moments of entry and moments of revocation. These are very small items, but I think that the Commission is also moving ahead on those important topics, maybe during the next term.

President. – The debate is closed.

The vote will take place on Thursday.

21. Deposit-guarantee schemes as regards the coverage level and the payout delay (debate)

President. – The next item is the report (A6-0494/2008) by Mr Ehler, on behalf of the Committee on Economic and Monetary Affairs, on the proposal for a directive of the European Parliament and of the Council amending Directive 94/19/EC on Deposit Guarantee Schemes as regards the coverage level and the payout delay (COM(2008)0661 - C6-0361/2008 - 2008/0199(COD)).

Christian Ehler, rapporteur. – (DE) Mr President, Commissioner, ladies and gentlemen, today we are closing a very fast process to reform the Deposit Guarantee Directive. The whole procedure demonstrates the capability but also the limitations of the European institutions. It was only in mid-October that the Commission tabled a proposal to amend the directive, which has both a political and an economic objective, namely to restore depositors' confidence in the financial market, the cross-border activities of banks and the regulation of the financial markets in general.

We have achieved an increase in the level of deposit guarantees, a clear reduction in payout deadlines in case of a crisis and the abolition of joint deposit guarantees. It was unacceptable that large banks were unable to foresee the demise of their own institution and for small depositors to go down with them. We have achieved an increase in the level of deposit guarantees from 2010 to EUR 100 000, which covers 90% of deposits in Europe.

We in the European Parliament played a quick and constructive role in the process. We waived numerous parliamentary rights, but we got things moving. We considered the three-day deadline to be unrealistic from the start. I think that 20 days is a promise that can be kept in practice and will not disappoint depositors.

It was important to re-incorporate small undertakings. In light of the systemic stabilisation of the financial markets, it would have been a fatal signal to only guarantee private deposits. We also saw – and this is particularly important – the need for emergency payouts, because there is a very direct connection between the deposit guarantee scheme and stabilisation measures in institutions, especially in the practical cases that we have witnessed in the past.

The limitations, of which we are obviously aware, lie in introducing as far-reaching an issue as harmonisation into a procedure at such short notice. A whole series of Member States wanted the directive to prevent possible distortions of competition and to set a ceiling for Europe in deposit guarantees. The concern addressed in the inquiry that we attached to this was right, but we should not anticipate the result.

The view that expectations and the political assurance associated with the fact that Member States such as Germany or Ireland are jumping the gun in the financial crisis and promising an unlimited guarantee are problematic and would lead to distortions of competition on the market is only right up to a point, because we have to say quite clearly that these are political promises which are neither enforceable nor indictable.

However, we must ensure that maximum harmonisation does not result in a lowering of the guarantee in individual Member States, which in turn would reinforce distortions of competition on the basis of differences in the financing of the systems. In this respect, it was an astute move to formulate harmonisation on the horizon, in other words that we have formulated a whole series of questions which have to be answered first, because – and I said these are the limitations of the procedure – discussing questions, which we have not been in a position to approach in Europe over the last five years, in a nine-week marathon process is not without its dangers.

I should like once again to express my gratitude for such strong teamwork between the groups in Parliament. Numerous compromises had to be made, but we succeeded in sending out a signal that was important in stabilising the financial markets. We in the European Parliament have also made a substantial contribution in making this very rudimentary draft clear and really useful.

I should like once again to thank everyone who was prepared to waive parliamentary rights in this procedure.

Charlie McCreevy, Member of the Commission. – Mr President, I would like to thank the rapporteur for his work on this file, which has turned out to be more complicated than expected. We take our commitment to maintaining depositor confidence in times of financial turmoil very seriously and I am grateful for Parliament's willingness to treat this issue rapidly.

However, I also have to admit that I am disappointed with certain proposed amendments to the Directive on Deposit Guarantee Schemes, especially on pay-out delays.

Let me recall that on 8 December this House voted in favour of a pay-out period of a maximum of two weeks. However, the compromise currently on the table provides for a pay-out delay of four weeks, which can be further extended to six weeks. When you add to this another week of decision-making by competent authorities, this means seven weeks. Seven weeks is a very long time for depositors who are unable to buy food, pay bills or use their payment cards.

Let us not forget that the regime currently in force, which allows for a pay-out delay ranging from three to nine months, will remain in place for a further two years.

I am concerned about the message this sends to European citizens and how it will affect our confidence. I am concerned about the possibility of having to witness once again pictures of citizens queuing at their bank the next time they hear that the bank is in trouble. My concern is that several weeks of no access to one's funds is too long a time to keep depositors' nerves calm in a crisis situation.

I also regret that the compromise on the table is not more ambitious in increasing the level of coverage. Let us not forget that nearly all Member States had already increased their coverage to EUR 50 000 by October 2008. This is why the Commission proposed to send a clear signal to depositors that their protection will be increased almost immediately. What was meant to be an immediate signal will now have to be postponed to mid-2009.

Nonetheless, the Commission will support the agreement between Parliament and the Council if it is endorsed by your vote. It remains important that the coverage level be increased to EUR 50 000 by the end of June 2009 and eventually to EUR 100 000, and that co-insurance is abandoned from mid-June.

The Commission will come back to other outstanding issues in the report next year. I look forward to working with Parliament on the important task of restoring confidence in the financial system among our citizens.

Cornelis Visser, *on behalf of the PPE-DE Group*. – (NL) Mr President, we cannot repeat it often enough: one European voice is the single most important thing in this time of financial crisis. I argue in favour of full European harmonisation of deposit guarantee schemes. This is also what the European Parliament and Mr Ehler want.

In times of crisis, full harmonisation is extremely urgent for two reasons. First of all, it is, after all, our duty to offer the consumer financial protection. Many European citizens associate the credit crisis with uncertainty and fear for the loss of their assets and possessions. We should counter this feeling.

At national level, various Member States have taken measures to offer the consumer financial protection. This was the case in Ireland, but also in the Netherlands, where the guaranteed amount has been increased temporarily from EUR 40 000 to EUR 100 000. Like Ireland, the Netherlands feels responsible for the protection of private and small companies.

It is, however, necessary to enshrine the measures implemented in relation to deposit guarantee schemes in one European directive. After all, we know only too well what a lack of cooperation and supervision can bring about. We should do this, though, in a uniform manner, and this is why I am in favour of one maximum amount. We will have this in 2010, provided we follow the rapporteur's proposal. The maximum amount is EUR 100 000.

The present situation, in which Member States, such as Germany and Ireland, offer unlimited cover represents a risk to Europe. Thanks to these unlimited guarantees, funds from the Netherlands and the UK, for example, will be moved to the neighbouring countries, which has an adverse effect on stability.

I am pleased that the Council agrees with me on this. Mr Ehler has made sound proposals, including with regard to small and medium-sized companies. These companies should continue to fall within the scope of the deposit guarantee scheme. To my mind, we, the European Parliament, have thus achieved a good result on behalf of consumers and small and medium-sized enterprises, and I hope that the Commission will back this initiative up.

Pervenche Berès, *on behalf of the PSE Group*. – (FR) Mr President, in this matter, Commissioner, I believe that you can be very pleased that the European Parliament exists. This is firstly because, a few months ago, we adopted another report prepared by Mr Ehler. On that occasion, I said to you that the crisis into which the

European Union had clearly entered was forcing us to reconsider this issue, even before the outcome of all the impact studies that you had planned. It needed the Council to give you the order to act, and I regret that, but that is how it was. I also regret that, after the country from which you originate introduced a system which very nearly destroyed your mandate, namely the internal market, you did not speak in public.

Let us not focus on the past, however, but rather look to the future and to the proposal that is now on the table. It is a reasonable proposal which is appropriate in the circumstances and I warmly thank the rapporteur for his drive and determination to allow us to reach agreement at first reading. This has ensured maximum harmonisation, which meets the expectations of our citizens who, faced with the reality of this crisis, are worried that this deposit guarantee scheme could prove tough on their savings, whether these are large or small and whether we are talking about local authorities or small and medium-sized enterprises.

I am delighted that we have reached agreement with the Council to extend the scope of the directive, which the Commission wanted to limit to individuals only, even though SMEs and local authorities are also clearly concerned about the guarantee of their deposits.

I am also delighted that we have achieved this maximum harmonisation of EUR 50 000 today and EUR 100 000 tomorrow, with a commitment from the Commission, no doubt for the successor of Mr McCreevy, to allow us to assess the conditions under which we could harmonise even further, and eventually set up a European guarantee fund. There is clearly a concern about the risks of distortion in terms of competition, but it is not just a question of concern, and on this I believe that the rapporteur will agree with me. There is also an opportunity for the European Union to manage the crisis, to avoid panic and to guarantee the rights of depositors. It seems to me that this was clearly the main concern for the European Parliament.

I have one regret in these negotiations, which is that, as regards the basics, we have learnt lessons from the bad example of Ireland, but we have not learnt lessons from the bad example of Iceland. In Iceland too much interest was promised on deposits, which forced the European Union to engage in negotiations with that country to cover the guarantees over and above the interest rates that could be applied under normal market conditions. However, based on the report that the Commission will forward to us, I hope that we can take these negotiations further, while also bearing in mind the conclusions that the group, for which the Commission has entrusted responsibility to Jacques de Larosière, may give us on the way to organise this mechanism in a harmonised manner in future.

Sharon Bowles, *on behalf of the ALDE Group*. – Mr President, all the institutions have been ambitious in this project, though not all in the same direction. The Commission was ambitious in proposing a minimum guarantee of EUR 100 000 and a payout term of three days. The Council has been ambitious in opting for maximum harmonisation, and Parliament has been ambitious to make sure that it works for the citizen. I wish to thank the rapporteur and other colleagues for their cooperation.

The proposal to go in one jump from procedures that might in some countries not even cope with the current nine months allowed for paying out to just three days was maybe over-ambitious. We agree to a final timeframe of up to a possible maximum of 35 days, but a little reluctantly because we would have preferred a rather shorter timeframe. Thirty-five days without access to funds still leaves citizens in a difficult position. This makes possibilities for emergency payouts important or, better still, arrangements for continuity of banking services.

Taking the bold step of maximum harmonisation means there are consequences to address, making this the first stage of a work in progress, which is evidenced by the number of items that the Commission is asked to report on by the end of next year. One of the consequences is the need to have some higher balance exemptions, and I welcome the grandfathering of some socially relevant higher balanced provisions that were in place by the start of 2008.

However, we have learnt lessons since then. Indeed, that is what this entire directive is about: recent lessons. It is regrettable that we could not obtain an unreserved commitment to allow a higher protection for temporarily increased balances that occur, such as when houses are sold or pension lump sums paid out.

Following the collapse of the Icelandic banks, there have been unhappy losses in such circumstances and it has put in train plans for special protection in several Member States. People in long-term possession of large funds to put on deposit can do this and make the deposit safe by splitting it between institutions, but it is unrealistic to ask that lump-sum payments be channelled that way.

The consequences of losses of lifetime funds is a lesson we do not need to learn again, so I hope the Commissioner will indicate enthusiasm to allow additional protection for special temporarily increased balances, which we have asked him to report back on also by the end of next year.

Astrid Lulling (PPE-DE). – (FR) Mr President, although it was necessary to restore confidence, we know that the political decision made by the Finance Ministers to increase the deposit guarantee level has resulted in a number of technical difficulties and consequences.

This increase in the guarantee to EUR 50 000, and at a later date to EUR 100 000, must lead to a re-examination of the operability and feasibility of the systems introduced in the Member States. That is why I must pay homage to the rapporteur, Mr Ehler, who approached his work with an open mind. For my part, I will support the compromise reached by the rapporteur during the trialogue with the Council. I should, however, like to make three points.

The first one concerns the payout delay. The period of 20 days before deposits are refunded may seem too long to some people, but I would ask them to think about everything that needs to be done before this refund can take place. Barring bad faith, they will understand that a period of just a few days to collect and verify the information and then make the payment is quite simply unrealistic. Twenty days is in fact already very tight.

Mr President, unfortunately I know what I am talking about because Luxembourg has the sad privilege of having to apply the deposit guarantee scheme in the case of Kaupthing Bank. We can draw some lessons from this, which must be heeded, particularly if we want to make progress in the interests of savers. It is vital to distinguish between bankruptcy and suspension of payments of a credit institution. With a suspension of payments, a takeover of the bank may be envisaged. However, refunding deposits very quickly would have the effect of making this scenario impossible. As a result, the directive must make this distinction.

The second lesson is that, in most Member States, the deposit guarantee schemes need to be reworked due to the new requirements. We must therefore allow them time to act. In my view, the proposed periods are reasonable. However, Commissioner, between our 20 days and the 7 weeks that you are talking about, there is quite a gap.

Lastly, Mr President, while it is vital to restore confidence among savers, it would be a fatal mistake to impose unviable solutions. That is why I have pleaded for moderation. Excessive requirements would simply aggravate the situation. I have finished, Mr President, but it was important to review the issues and not to talk at a speed that our interpreters could not follow.

Antolín Sánchez Presedo (PSE). – (ES) Mr President, Commissioner, ladies and gentlemen, the financial crisis has put the operation of deposit guarantee schemes to the test in the European Union. The resulting tensions have shown that the inadequacies in their coverage and operation have shaken depositors' confidence and that the unilateral measures adopted by some Member States to address the situation have a significant cross-border impact and destabilising effects. That has increased demand for joint action to correct the failings detected and to carry out a thorough review of the regulatory framework.

The text that has been negotiated reflects the excellent work done by Mr Ehler, who put together an ample consensus in the Committee on Economic and Monetary Affairs. Its adoption will, at first reading, give the green light to a reform addressing two urgently needed issues: raising the level of coverage, and shortening payout delays. It also lays the foundations for a review to harmonise bank deposit guarantees across the European single market.

I welcome the proposal to raise the guaranteed coverage level for deposits initially to a minimum of EUR 50 000 and to consider harmonising it at EUR 100 000 by the end of 2010, depending on the impact assessment to be analysed by the Commission, taking into account consumer protection, financial stability and competition.

The power given to the Commission to adjust the amount in line with inflation, in accordance with the regulatory procedure with scrutiny, is also appropriate.

Reducing the payout delay from the current three months to 20 working days after the administrative decision or judicial ruling, and assessing a possible reduction to 10 working days, is an appreciable improvement, as is the introduction of the concept of emergency payouts and the obligation to provide depositors with the information they need on the applicable guarantee scheme.

I fully support the requirement for the Commission to produce a thorough report by the end of 2009, addressing important aspects such as harmonisation of the funding mechanisms of the guarantee schemes, justification of full coverage in specific cases, the costs and benefits of a Community guarantee scheme, and the links between deposit schemes and other alternative means.

Mariela Velichkova Baeva (ALDE). – (BG) The aim of the principal message conveyed by the key changes to the Deposit Guarantee Directive and the guaranteed coverage level and payout delay is to provide higher guarantee levels in order to protect the savings of small investors and maintain confidence in the financial system.

At the moment, it is difficult to assess the fiscal costs associated with the current financial turmoil and its adjustments. Potentially low growth in real GDP for a few years could, at some time in the future, prove to be an additional destabilising factor for fiscal sustainability.

In this climate, a prompt analysis is recommended of the financial mechanisms being used by Member States in order to evaluate the impact of the intervention made. It goes without saying that the deposit guarantee schemes are an effective preventive measure, but their impact is limited to the local environment where they operate. In order to remedy similar weaknesses when investors come to make their choice between the various levels of protection, we need coordination at Community level.

Paolo Bartolozzi (PPE-DE). – (IT) Mr President, ladies and gentlemen, the recent financial crisis in which the international banking system has been heavily involved has raised many concerns among savers about the future and about the insecurity of their deposits.

To try to rectify the volatility and fluctuation of the markets, and the risk of banks with obvious or hidden liquidity problems failing to pay out, the European Parliament has drawn up a proposal for a directive, together with the Council, aimed at amending deposit guarantee schemes as regards the coverage level and the payout delay. With the aim of restoring general confidence, ensuring the correct operation of the financial sector and better protecting the deposits of individual savers and their families, the European Council of 7 October invited the European Commission to present an urgent proposal to encourage the convergence of deposit guarantee schemes within the European Union.

The measure to be adopted by Parliament today establishes an increase in the minimum level of coverage for private savers to at least EUR 50 000, recognising that many Member States are now looking at raising the minimum coverage to at least EUR 100 000. This directive also provides for a reduction in the payout delay, currently set at three months and extendable to nine months, to a maximum of a few weeks.

In a globalised economy and particularly in Europe where we are witnessing a proliferation of banks and branches, it is crucial for EU Member States to have effective cross-border cooperation between the bank in the country of origin and the bank in the host country. Such cooperation must safeguard guarantees and ensure swift payouts in the event of the insolvency or failure of credit institutions.

Lastly, since the revision of the European Commission directive limits coverage to depositors who are natural persons, I think it would be appropriate to extend this slightly to cover small and medium-sized enterprises; they are actively involved in the production processes of the EU economy and represent irreplaceable human and social assets. SMEs should now, however, be granted legal protection that would not only keep them from the risk of the insecurity caused by bank failures, but would also enable them to operate from a position of greater competitiveness and improved economic, financial and employment stability.

Ján Hudacký (PPE-DE). – (SK) The current financial crisis obliges us to produce relatively quickly such measures as will eliminate its impact both on citizens and on the economy of the European Union.

The report from my colleague Mr Ehler handles the issue of deposit guarantees in a very balanced way in terms of the amount of cover and payout delays. Despite the Commission's current efforts, I must in this context mention the Commission's lack of flexibility at a time of mounting crisis, aimed at preventing individual Member States from taking uncoordinated decisions over the protection of bank customer deposits.

This lack of coordination has culminated – fortunately only to a limited extent – in customers' chaotic withdrawal and transfer of their deposits to banks in Member States where savings enjoy higher levels of protection. In relation to the need to restore people's confidence in financial institutions we must prepare measures that are as flexible as possible but at the same time based on realistic assumptions.

I share the opinion of the rapporteur that in cases where deposits cannot be accessed a proposed payout period of three days is unrealistic, since the deposit guarantee scheme would probably fail through sheer weight of numbers. The arrangement for exceptional payouts of a limited amount of money within three days therefore seems sensible for cases where the continuity of banking services cannot be guaranteed.

I am delighted that the minimum level for deposit guarantees will be increased to EUR 100 000 by the end of 2009, which will clearly increase depositors' confidence in financial institutions. With regard to our initial experience of the financial crisis I think that small and medium-sized firms, which, by the way, are often unable to obtain necessary loans in times of crisis, should also be brought within the framework of this deposit guarantee directive in order to provide them with at least one way of confronting this crisis.

Colm Burke (PPE-DE). - Mr President, the global economy has been turned upside down in the past few months. We are now left with an appalling vista of insolvency, bankruptcies, nationalisations, the massive destruction of wealth, and stock market write-down. The core institutions of our financial infrastructure have been shaken to their core. Our banks are on their knees, engaged in begging-bowl pleading to national governments.

National governments cannot turn a blind eye due to the strategic importance of banks in oiling the wheels of the real economy. It is shocking and frightening to see that one Irish bank, for example, has lost 97% of its value in the past few months alone.

Deposit-guarantee schemes have therefore been of crucial importance in protecting investors from the worst of the financial crisis currently assailing the world economy. The figure of EUR 100 000 is psychologically as well as economically important, as it reassures investors that their life savings are not under threat.

I congratulate the rapporteur, Mr Ehler, on his work, and I welcome in particular the increase in scope to include guarantees for SMEs. SMEs are our main hope and should be our priority as we look towards the light at the end of the tunnel, as we look to recover quickly from the current recession.

I also echo the call for a more coordinated response in future. The Irish Government acted unilaterally to guarantee Irish banks. In future, there should be an official instrument in place to ensure better coordination between Member States.

To conclude, on a broader note, we must not forget the immense importance of our close economic integration here in the EU and in particular in the euro zone, which has sheltered us from the gale-force winds of the financial crisis. This point is especially relevant for smaller Member States such as Ireland. We need only look north to our island neighbours, Iceland, to see the havoc that can be caused by standing alone in splendid isolation: its currency has collapsed and its economy is in ruins. There is no guarantee that this would not have happened if Ireland and other smaller Member States had not been in the euro zone.

Othmar Karas (PPE-DE). - (DE) Mr President, rapporteur, Commissioner, I should like to say to the rapporteur that I am grateful for his expertise, for his attention to detail so as to ensure that unwanted problems do not arise, and for his parliamentary approach to the debate.

This issue affects everyone. Every saver worries about their money when their bank gets into difficulty. Every saver wants to know how safe their money is. Every saver wants to know when and how much they are guaranteed to get back. For this reason, I welcome the increase in the amount of cover and await the assessment of the consequences, so that we can decide if the EUR 100 000 limit is a harmonised or a minimum amount. I welcome the reduction in payout delays and would like to thank all my honourable friends who want to transfer these regulations to SMEs. From the Commissioner I would like verification as to if and how such a way forward is possible.

Margarita Starkevičiūtė (ALDE). - Mr President, some people like to say that the European Union sometimes operates inefficiently, but this document is a good example of how, when needed, we can act very rapidly given the short time framework during which we reached an agreement.

I just want to say that this agreement sends a very important signal to the citizens of the European Union that we are able to react to their needs. Another very important point is that, though we are very different, we are still able to reach an agreement on major issues such as the amount of deposit guarantees, the pay out period and other subjects important to ordinary citizens. This compromise may not be perfect, but it is nevertheless a good proof that we can act together.

Charlie McCreevy, *Member of the Commission*. – Mr President, I would just like to repeat that, although the results are not fully satisfactory from the Commission's perspective, we would not like to delay or put at risk the compromise that provides some improvements for savers. We will have to work further on the improvement of deposit guarantee schemes.

Of course I commit to meeting the reporting obligations imposed in the directive by the end of 2009. These reports will look at those issues that were outlined by Members here this evening. When we discuss the results of that further work and the proposals that might flow from it, it is my sincere hope that the outcome will be more ambitious. The main issue we have in mind is addressing the confidence of EU depositors for the long term.

Christian Ehler, *rapporteur*. – (DE) Mr President, Commissioner, please do not ruin the compromise which we have put together in such a short space of time, which was no more than an announcement by the Commission which Parliament turned into reality by finding a compromise with the Council, by nitpicking at the interpretation with the outside world. Please communicate it to the outside world for what it is: a very fast reaction by the three institutions, a very far-reaching deliberation towards the harmonisation of the necessary steps, including the inquiries needed, which has a very positive and direct impact on the citizens, namely what we anticipate to be almost full cover of 90% of deposit guarantees and shorter deadlines. We too obviously thought about emergency payouts.

I should like to say once again: the compromise does not simply mean that the three institutions or one of the three, namely the Commission, is saying this is the compromise and now we want to start splitting hairs; it is a joint signal. That is why we engaged in this fast procedure. It would have been politically negligent to engage in intellectual hair-splitting in public. We must communicate this positive signal that we have arrived at together, with the Commission, to the outside world. Otherwise, in the current financial crisis, we would achieve precisely the opposite of where you were strong in your announcement, but which we made possible by turning it into reality.

President. – The debate is closed.

The vote will take place on Thursday.

Written statements (Rule 142)

Sebastian Valentin Bodu (PPE-DE). – (RO) The current economic crisis requires extraordinary measures at a time when an ever-increasing number of Europeans are facing the spectre of unemployment and financial recession. Raising the bank deposit guarantee ceiling for the general population is a welcome measure, which will maintain confidence in the banking system. An initial ceiling of EUR 50 000 and a further one of EUR 100 000 are more than adequate for the states whose banking systems have no long-established tradition, as is the case with Romania and other former Communist states. At the moment, it is important that each state adopts this measure, as otherwise there is the risk of causing panic among the population. Romania is not one of the states with a large number of deposits in excess of EUR 50 000. However, in psychological terms, raising the amount guaranteed can only have a positive impact, given that the population's deposits have fallen, compared to September, by 6% in Bucharest alone. This means that around EUR 600 million have been withdrawn in the course of just a few weeks, which is unprecedented in recent years.

On the other hand, as an MEP, I would like to draw your attention to the fact that this measure needs to be supplemented by a review of the policies for granting credit and of the level of risk being assumed.

Siiri Oviir (ALDE), *in writing*. – (ET) Since 1994, EU regulations have ensured that there is a deposit guarantee scheme in all Member States in the event of any bank going bankrupt, and the minimum amount of guaranteed savings is also fixed, at EUR 20 000. Unfortunately, even today the average volume of savings per EU resident is EUR 30 000, which shows that there is a general need to increase the minimum guaranteed savings amount.

The European Council decision of 7 October 2008 in which Member States decided, as a result of the global financial crisis, to provide emergency assistance to guarantee private individuals' savings in the amount of at least EUR 50 000 for one year is a very welcome development. The present initiative by the European Commission will also help bring this into EU law, which will help sustain EU depositors' confidence in European financial markets.

In 2009, as a result of the Commission's recommendations, it is planned for the minimum amount of guaranteed savings to be raised to as much as EUR 100 000, which is a very welcome development for depositors!

Nevertheless, the Commission should definitely also take Member States' actual abilities into consideration in terms of raising the level of guaranteed deposits, in order to avoid situations in which raising the level of guaranteed deposits becomes a 'race', which may result in the poorer Member States finding themselves in a situation where they lack the funds to guarantee what has been guaranteed, and the same unsuspecting depositors may be the ones who suffer from this situation.

Since EU financial markets are very closely interconnected, I support the rapporteur and also call upon the Commission and the Council to improve the required cross-border cooperation and to plan more specific measures that would help ensure better cooperation between Member States in a potential crisis situation.

22. Agenda of the next sitting: see Minutes

23. Closure of the sitting

(The sitting was closed at 11.25 p.m.)