

Kohl

Afghanistan, the Middle East, South and southern Africa and Latin America.

On Afghanistan, the Community and its Member States stated their willingness to provide urgently necessary humanitarian assistance through the United Nations.

On South Africa, I would point out that the European Council appealed, as moreover did the World Economic Summit in Toronto, to President Botha for clemency for the Sharpeville Six.

We also repeated the call for the release of Nelson Mandela, who will be 70 years old on 18 July this year, as well as that of the other political prisoners.

(Applause)

Most importantly and notwithstanding the above, we once again made it clear that considerable strain would be placed on the Community's relations with South Africa if the bill now before Parliament concerning financial contributions to anti-apartheid organizations, including the churches and trade unions, were enacted by the South African Parliament.

Before commencing its proceedings, the European Council heard the European Parliament's views on the main subjects of discussion. This meeting with you, the President of the European Parliament, has now become a sound tradition. As shown in particular by discussions on putting into practice the Delors package, it forms part of the trusting, constructive cooperation which has been definitively extended and improved by the Single European Act.

In this connection I would like expressly to welcome once again the interinstitutional agreement between the European Parliament, the Council and the Commission on budgetary discipline as an important step pointing the way ahead as regards the inter-relationship between the institutions. With a view to the third direct elections in June 1989 too, the cooperation of recent months was important evidence of Parliament's conception of its role and sense of responsibility. Parliament and Council cooperated in the same spirit over the appointment of the future President of the Commission.

After ascertaining the positions of all Member States at the start of our meeting in discussions with my opposite numbers, I discussed the matter in confidence with your President. Parliament's enlarged Bureau welcomed our intention to extend the term of office of Jacques Delors for two years.

(Applause)

I informed my colleagues of that outcome and then paved the way for a decision by the Council.

I believe that we thereby achieved, pragmatically and sensibly, a vote which might well become a sound tradition.

(Applause)

The successes of recent months, the mood of re-found momentum, would not have been possible without the help of many people. I would again cite the work of the Commission, the active support of all Member States and in particular, the support of this House. Thank you very, very much.

The Community has not just recovered its capacity for action internally and externally; it has also shown that it is capable of continuing on the way to becoming a Community of genuine solidarity.

In Hanover I described the developments of recent months in the short phrase: 'Europe is back'. We must together ensure that this continues.

We need to maintain this new dynamism in all areas. We must continue resolutely on the course charted by the Single European Act and do all we can, regardless of the difficulties to be surmounted along the way and occasional sacrifices, to achieve our goal.

European Union, to which all Member States committed themselves in that Act, is now no longer just a distant vision. In 1992 we shall review the internal reforms and at the same time consider the progress made by then as regards common external policy. In the light of that review we shall have to decide on the further steps in integration leading to European Union. An important question in this respect will be how to strengthen the role of the European Parliament.

Let us together approach the tasks that lie ahead of us realistically, with an eye to the possible, with courage and in a spirit of mutual trust. In doing so, let us be guided by Jean Monnet, the 100th anniversary of whose birth we celebrate this year. His words, 'Go on, go on, for the people of Europe there is no other future but union', should be our *leitmotiv*. Then we shall discharge our duty to history.

(Loud and sustained applause)

PRESIDENT. — Thank you very much indeed, Chancellor.

I now have pleasure in giving the floor to Mr Jacques Delors, President of the Commission.

DELORS, President of the Commission. — *(FR)* Mr President of the Council, Mr President of the European Parliament, three weeks ago in Toronto I had the impression that the four European Heads of State

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or Government at the summit meeting felt a pride in their shared membership of the Community and an awareness of its tangible reality, perhaps more than at any previous such gathering.

A few days ago, when they next met, in the ancient capital of the Hanoverian Electors, they were unanimous in the satisfaction they took at the progress that has been achieved. And it is in fact reasonable to claim that the Community has taken more decisions in the past six months than in the whole of the time from 1974 to 1984. It is on this achievement that I now propose to report to you briefly, without, I trust, any unnecessary repetition of things Chancellor Kohl has just told you in his statement.

In making this report, ladies and gentlemen, I am very much aware of acknowledging a debt of gratitude, for this progress, I repeat, would never have been possible without the tenacity, resolve and spirit of cooperation shown at all times by the European Parliament, which is deservedly described as the crucible of the European consciousness. But it would be just as remiss of me were I to fail to pay proper tribute to the German Presidency, whose tenure has been marked by determination, generosity — particularly at the European Council meeting in February — and good sense, or to tell it how grateful the Commission is for the confidence shown in it throughout this period of working together.

(Applause)

I therefore wish to tell you, in a few words, how we have managed to do more in six months than in ten years, to comment on the two strategic breakthroughs achieved at the European Council meeting in Hanover, bringing progress towards the European social area and monetary integration respectively, to say a word or two about the new European Council style to which Chancellor Kohl referred, and finally — let us not forget that the European elections are only a year away — to tell you how we could build on a People's Europe and give the people their say.

Let me start with our achievement of getting more done in six months than in ten years.

First, there has been the implementation of the Commission's 'package' adopted by the European Council when it met in February 1988: adaptation of the common agricultural policy to the changed circumstances on international markets, accompanied by tighter budgetary discipline applied to it in common with all other expenditure; implementation of flanking policies through the structural Funds, now that the framework regulation has been adopted and is going to be followed up by specific regulations for each Fund, which will be coming to you for examination over the months ahead; and, finally, the very important budgetary reform carried out under the direction of Mr Christophersen.

Secondly, adoption of the interinstitutional agreement. There was a great deal of hesitancy and scepticism when the Commission proposed that instead of the continual skirmishing between the two branches of the budgetary authority, the Council and Parliament, an interinstitutional agreement should be concluded by the two branches of the budgetary authority along with the Commission so that we could have a more orderly and transparent procedure for drawing up the annual budget. The Council, under the chairmanship of Mr Stoltenberg, to whose patience and open-mindedness I pay tribute, and Parliament, whose delegation was tireless in its efforts to find solutions, even to the point perhaps of foregoing some of its prerogatives, have succeeded in reaching an agreement that ought to provide a basis, as from the first reading, on which the strategic guidelines in the Single Act can be reflected in the budget while at the same time Parliament will be able to indicate the shifts of emphasis that it wants to make in the budget as a whole, and in non-compulsory expenditure in particular.

The first crucial test of the agreement will come next September under the Greek Presidency, and I hope that we are never again going to present the voters and the press with this 'esoteric' spectacle of constant skirmishing between the Council and Parliament, often ending up with an action before the Court of Justice, which is the last thing we want when trying to prepare a budget, to arm ourselves with the financial wherewithal for our work during the year ahead.

The third important feature has been the acceleration in progress towards the 1992 target. It is not without symbolic significance that these six months have seen strategic decisions that will promote the four freedoms: freedom of movement for persons, for goods, services and capital. In the case of the first of these, there was mutual recognition of diplomas, which is also a very important step towards Peoples' Europe; on goods, there was a whole series of decisions which it would be superfluous for me to enumerate here; on services, we had two important decisions, one on road transport and the other on insurance; and finally, there was the almost historic agreement on free movement of capital, even though it is going to take us two years to do the groundwork.

Before leaving the subject of road transport, I should like to say that the Commission is especially proud of what has been achieved, because here we were faced with a daunting problem: a way had to be found of dismantling obstacles and establishing the minimum level of harmonization that would bring about fair competition while at the same time maintaining established social rights that everyone was unwilling — justifiably so — to surrender. It was not easy to find a compromise, but I think the outcome is an object lesson, or ought to be regarded as such, in achieving the necessary reconciliation between the abolition of obstacles — or deregulation as it is sometimes called — and a minimum degree of harmonization. As I have

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often said in this House, the market cannot function properly without a basic set of common rules, and Europe will not make progress unless it preserves the social progress achieved in various of its Member States. And that is what the road transport issue was all about.

A final feature of the past six months has been the successful operation of the cooperation procedure, for which you deserve the credit. As far as I am aware, there has not been a single occasion when Parliament has delayed the taking of a decision. This has involved you in a great deal of work both in committee and in plenary. You have had to show great discipline in applying your newly drawn-up Rules of Procedure. There have even been occasions when you have been called upon to adopt urgent procedure, and you have done so with great goodwill and efficiency. I particularly wanted to make this point, not least for the benefit of those who took a critical view of this cooperation procedure when the Single Act was at the drafting stage, suggesting that it was likely to make the decision-making process more cumbersome than before. It has done nothing of the kind. On the contrary, it represents a step forward in the democratization of the Community.

The European Council meeting in Hanover also brought two strategic breakthroughs, one marking progress towards the European social area and the other towards monetary union. Both of these need to be consolidated, however, and, if I may reiterate what Chancellor Kohl said earlier, a great deal of work on the internal market has to be done beforehand. The main tasks involved were discussed yesterday by Mr Papoulias, and are familiar to you: the opening-up of public contracts, which is an extremely difficult dossier, but the momentum must be kept up if the credibility of the overall objective is to be sustained, creation of the financial area, establishment of the common market in financial services — now that we have secured the decision on liberalization of capital movements — and, finally, harmonization of standards.

With regard to laying the foundations of the European social area, I expect attention to be focused on three subjects over the coming months: the company governed by European law, or European company; application of Articles 100 A and 118 A of the Single Act, which are concerned with the social dimension; and resumption of the social dialogue, in which a leading theme will be the need for all workers in our Community to receive worthwhile vocational training.

On the first of these subjects, the European company, I would beg you not to embark upon a repetition of the polemics that were a constant feature of the discussions on the Vredeling directive; the memorandum submitted to you is at pains to steer clear of such sterile debate. Firms in our Community want the European company, which they need in order to be able to cooperate more economically, to avoid having to

resort to legal and fiscal contortionism, and even to reduce the scale of takeover activity. But the trade unions too want the European company, to which they are looking for a clear demonstration that our Community takes an active interest in arrangements for worker participation. According to our proposal, the European company statute will be optional, not imposed on everyone, so that only those who need it will adopt it. We have proposed a range of options for organization of such a company's top management bodies, and a second range of options for arrangements for worker participation. We now await opinions from the Council and Parliament within the coming six months, so that we can turn this report into a directive or regulation, whichever is appropriate.

Secondly, we have to apply Article 100 A and Article 118 A, the former in connection with the conditions under which capital goods are used, which is a very important aspect of ergonomics and the man/machine relationship, and the latter in connection with health, hygiene and safety at work. And there is a further problem that we must address, since its importance has been emphasized on all sides both in the European Council and in Parliament, and that is the problem of continuing training, worthwhile training for all workers, young and old alike, in the Community. We are going to introduce this as a theme to be discussed in the social dialogue, in addition to which we are going to treat it as one of the central means towards achieving the five priority objectives of the flanking policies. I hope that, by drawing on our various countries' experience in this area, we shall be able to achieve real progress. These beginnings will, I believe, set us firmly on our way towards the European social area.

The discussions on monetary union were difficult, as Chancellor Kohl stressed. This will have come as no surprise to you. They were difficult because we each of us have our own order of priorities for progress towards political union, or European Union. Some believe that progress towards monetary integration would exert a powerful influence conducive to the construction of political Europe. Others take the view that political Europe has to come before there can be a common currency and a European central bank. A compromise was reached. It was no sterile compromise, since the European Council laid down the method to be adopted, setting up a 17-member group to examine the issues. And it fixed a deadline: it is to be at the European Council meeting in Madrid that the Heads of State or Government are going to have to say how they intend to progress together towards economic and monetary union. There has been surprise in some quarters — I am thinking of statements made by a number of politicians or committees — that the governors of the central banks should have been included *ex officio* in this group. But I would say to you, ladies and gentlemen, that experience tells me it is pointless to examine this issue unless there is going to

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be a positive contribution from the central bank governors.

(Applause)

I also know from experience what a positive role was played by the governors of the central banks on liberalization of capital movements and on the successive measures taken to strengthen the European Monetary System. That is why I think we ought to be able to work on the basis of the solution arrived at by the European Council, even though it is always difficult for a group of 17 to work together and come up with collective conclusions. But after all there are 17 of us on the Commission, and to date that has not prevented us from making progress, albeit with difficulty on occasion.

Before ending, I would like to stress the change of style seen at this European Council meeting, which was reminiscent of the early days. What did the European Council do? It held informal discussions, so informal that it was a rarity to see leaders or Foreign Ministers reading from pre-prepared notes. These discussions were extremely fruitful and very useful to the Commission, on all subjects: the European social area, monetary union.

The European Council even opened up new avenues, as was stressed by Chancellor Kohl. The problem of television and its bearing on the defence of European culture was raised in felicitous terms. The issue of the environment was approached with greater dynamism by the Heads of State or Government than by the Commission.

This kind of approach creates a setting conducive to fresh initiatives and makes for greater efficiency of the Council/Parliament/Commission institutional triangle. The Council — the Councils of Ministers, for they must no longer look to the European Council to sort out problems they have failed to settle — knows that its job is to take decisions, while Parliament knows where the Heads of State or Government stand, where they want to go and where they occasionally differ, and the Commission is able to rely on the authority of European Council decisions in its efforts to move Europe forward.

I am not of course forgetting that we are but a year away from the European elections and that we must give the people their say. They still find our problems very remote. Even we find them very technical, but we manage to understand one another. However, it is sometimes extremely frustrating, as I was reminded yet again on Monday when addressing an audience of officials from a political party, when one realizes the depth of ignorance about European problems, or even about the basic issues underlying these problems. That is why the European Parliament must stint no effort in performing its role as the institutional and political vanguard. It has been playing its part to the full

recently, bringing forward fresh proposals. Although not in agreement with all of these, I have lent them my personal support, for two reasons: the need for efficiency, and the displacement of the centre of decision-making.

My own feeling is that we are not going to manage to take all the decisions needed between now and 1995 unless we see the beginnings of European government, in one form or another. Otherwise, there will be too many decisions to take, too many complications, too many sources of delay. Quite what form this might take remains a matter for conjecture.

As for the displacement of the centre of decision-making, I find it extraordinary that the national parliaments, with the exception of those in the Federal Republic of Germany and the United Kingdom, should have failed to realize what is going on. Ten years hence, 80% of our economic legislation, and perhaps even our fiscal and social legislation as well, will be of Community origin. In 10 countries, though, there has been no realization of this, and in these same 10 countries there is no cooperation between European parliamentarians and national parliaments. What I am afraid of is that some of these national parliaments are going to wake up with a shock one day, and that their outraged reaction will place yet more obstacles in the way of progress towards European Union.

(Applause)

It is for this reason that I would like to see absolute transparency — since it is a fashionable word, but I prefer the sound of it in my own language — and full cooperation between the European Parliament and the national parliaments in stepping up the organization of conferences and other meetings to give thought to the institutional framework of the future. Which matters can best be dealt with at Community, national and regional levels respectively?

This ought to be done as from now, it seems to me, and here we have yet another reason for interesting the general public in the European elections, for if their interest can be engaged, even the national parliamentarians will find it impossible to ignore a democratic consultation whose potentialities and importance for the future are greater than is generally realized.

(Loud and prolonged applause)

SALISCH (S). — *(DE)* Mr President, Chancellor, ladies and gentlemen, the summit meeting in Hanover produced one very practical and, to our mind, highly satisfactory result, the reappointment of Jacques Delors. I hardly need say that the Socialist Group, of which the President of the Commission was long a member, is particularly pleased about this and filled with pride. I should like to express my sincere congra-

President

The vote on the five motions for resolutions themselves will take place tomorrow at 6.30 p.m.

DELORS, President of the Commission. — (FR) Mr President, ladies and gentlemen, I shall not keep you long.

First of all, I note that you have concentrated on the action being taken to strengthen the internal construction of the Community — taking your lead in this from the opening statements. But the Community has also been extremely active in its external relations over the past six months, and this should not be overlooked. It has been engaged not only in paving the way for recognition of the Community by Comecon, not only in consolidating our relations with the EFTA countries, but also in two activities to which I wish to draw special attention since they are going to take on considerable importance over the months ahead, setting a test of what we want Europe to become and of the responsibilities we want it to assume in the world.

I refer to the Uruguay Round of multilateral negotiations, in which Mr Willy De Clercq has been showing great skill, and to the preparations for the fourth ACP Convention, also conducted very capably by Mr Lorenzo Natali. There is to be an innovation in the latter case, since Mr Natali is trying to secure acceptance for a special facility to enable the African countries to cope better with their debt problems while at the same time — and this is the key point — preserving their scope for development in the future.

On internal affairs, there are just three points to which I wish to return.

Various speakers referred to the results achieved on social problems — or rather to the broaching of them, at the European Council meeting in Hanover. Despite what you said, Mr Baillot, the European Trade Union Confederation responded with satisfaction to the Hanover results — I have a copy of the statement to hand, if you are interested. It is true, much to my regret, that two major national organizations do not belong to the European Trade Union Confederation, but they know that my door is always open to them and that if they want to be consulted in all the appropriate forums, I shall make the necessary arrangements.

As regards monetary cooperation, and Mr Beumer's point in particular, I intend to propose a meeting with you, Mr President, along with three or four colleagues of your choice, for informal and fairly confidential discussions which will enable me to sound out your views and keep you abreast of developments. However, despite the bold statements on the European central bank that have been made by a number of politicians, there are still a lot of technical problems that have not yet been looked at, besides which there are the macroeconomic dimension and the institutional

and political environment to be considered. This, incidentally, accounts for my insistence that the composition of this committee had to include the Commission and experts and not just the central bank governors, although I regard their presence as essential.

On the 'institutional future', to answer the point from Mr Croux, we are going to make an assessment of what has come out of 'comitology', of the Commission's executive powers as they now stand. It will not be lost on you that while the German Presidency placed the fullest confidence in the Commission — and this, as I have said, was one of the reasons why we were able to achieve what we did — the fact is that when we come down to the level of Coreper working groups, we find a series of petty nitpicking squabbles, totally out of keeping with what our common ideal and our common responsibility ought to be.

We should not allow the current euphoric mood to blind us to the fact that the construction of Europe started 31 years ago, and that it has seen more years of stagnation than years of development, and many years of crisis. So let me say that I for one will be approaching the years and months ahead with a great deal of vigilance.

Finally, I would not like Mr Le Pen's comments to go unanswered.

Mr Le Pen takes his opportunities where he sees them. As for myself, I was referring to the four freedoms enshrined in the Treaty. That is what I was talking about, but my failure to mention security has earned me a place among the spineless neutralists. I would simply remind Mr Le Pen that immediately after the Reykjavik Summit, I formally called upon the Twelve to hold an extraordinary European Council meeting to analyse the situation, to draw the inferences from Europe's absence from that summit, and to examine what action could be taken in the area of our security...

(Applause)

It has always been my view that if there is to be any progress in East/West relations, we on our side must strike a subtle balance between seizing opportunities for peace and maintaining vigilance, for a nation that is unable to stand on its own two feet is no longer a nation.

(Loud applause)

PRESIDENT. — The debate is closed.

(The sitting was suspended at 1.05 p.m. and resumed at 3 p.m.)