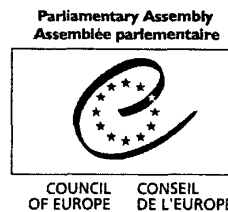


Parliamentary Assembly
Assemblée parlementaire



AACR10

AS (2006) CR 10
Provisional edition

2006 ORDINARY SESSION

(Second part)

REPORT

Tenth sitting

Tuesday 11 April 2006 at 10 a.m.

In this report:

1. Speeches in English are reported in full.
2. Speeches in other languages are summarised.
3. Speeches in German and Italian are reproduced in full in a separate document.
4. Corrections should be handed in at Room 1059A not later than 24 hours after the report has been circulated.

The contents page for this sitting is given at the end of the verbatim report.

Mr van der Linden, President of the Assembly, took the Chair at 10.05 a.m.

THE PRESIDENT. – The sitting is open.

1. Minutes of proceedings

THE PRESIDENT. – The minutes of proceedings of the ninth sitting have not yet been distributed. They will be presented for approval at a later sitting.

2. Election of a judge to the European Court of Human Rights in respect of Liechtenstein

THE PRESIDENT. – This morning we have the election of a judge to the European Court of Human Rights in respect of Liechtenstein. The list of candidates and biographical notices are to be found in Document 10852. A summary of the arrangements governing the election has been printed in the notice paper. The voting will take place in the area behind the President's Chair.

At around 1 p.m., I shall announce the closing of the poll. As usual, counting will then take place under the supervision of two tellers. I shall now draw by lots the names of the two tellers who will supervise the counting of the votes. The names of Mr Badré and Mr Rodrigues have been drawn. They should go to room 1087 at 1 p.m.

3. Written declaration

THE PRESIDENT. – In accordance with Rule 53 of the Rules of Procedure, a written declaration No. 377 on the 50th anniversary of the Poznanian uprising in June 1956, Document 10884, which has been signed by 27 members, has been printed.

Any Representative or Substitute may add his signature to this written declaration in the Table Office, room 1083. If any names are added, the declaration will be distributed two weeks after the end of the part-session, with all the accumulated signatures.

4. Changes in the membership of committees

THE PRESIDENT. – Our next business today is to consider changes proposed by the Azerbaijan delegation in the membership of committees. These are set out in Document Commissions (2006) 4 addendum.

Are the proposed changes in the membership of the Assembly's committees agreed to?

They are agreed to.

5. Organisation of debates

THE PRESIDENT. – This morning we consider the matter of "Relations between the Council of Europe and the European Union". Mr Juncker, Prime Minister of Luxembourg, will present his report on relations between the Council of Europe and the European Union. This will be followed by comments from the chairpersons of the political groups and the Secretary General of the Council of Europe. Mr Popescu-Tăriceanu, the Prime Minister of Romania, which holds the chairmanship of the Committee of Ministers of the Council of Europe, will address the Assembly. Then Mr Schüssel, Federal Chancellor of Austria, President of the Council of the European Union, will address the Assembly.

The debate will then be opened. The speakers' list must be interrupted at about 11.45 a.m. to allow time for replies from Mr Schüssel, Mr Popescu-Tăriceanu and Mr Juncker.

I remind you that the Assembly agreed yesterday that the chairpersons of the political groups and the Secretary General of the Council of Europe should have four minutes each. Other Assembly members will have three minutes.

At 12 noon, Mr José Manuel Barroso, President of the European Commission, will address the Parliamentary Assembly.

Are these arrangements agreed to?

They are agreed to.

6. Relations between the Council of Europe and the European Union

THE PRESIDENT. – We now have the honour of hearing a statement from Mr Jean-Claude Juncker, Prime Minister of Luxembourg, on his report on the relations between the Council of Europe and the European Union.

It is my pleasure to welcome to our midst three very honoured guests: Prime Minister Juncker, Prime Minister Popescu-Tăriceanu and Federal Chancellor Schüssel. This comes at a very important moment between the Council of Europe and the European Union. Your presence shows the importance you attach to strengthening co-operation and enhancing institutional relations between the two institutions.

I see this as a reaffirmation of the recommendations made at the 3rd Summit of the Council of Europe. It also shows that you recognise the importance of the parliamentary dimension in strengthening relations between the two organisations.

(The speaker continued in French)

It was no chance that Mr Juncker, a highly respected European statesman, had chosen the Assembly as the forum in which to present his report on relations between the European Union and the Council of Europe. There had been contact between the Assembly and Mr Juncker in the course of his work – for instance, in March 2006 Mr Juncker had had an exchange of views with the Standing Committee and the Assembly's memorandum had been passed to him. It was necessary for relations between the two organisations to become systematic in order to avoid competition or duplication of effort.

He called Mr Juncker to speak.

Mr JUNCKER (*Prime Minister of Luxembourg*) said that Strasbourg was a European city *par excellence*. It was a high forum for democracy and the point at which many European projects started and came to fruition. Strasbourg was the capital of the greater Europe and he was happy to present his report here. His report should not be considered an ideal; for the ideas of a single time in history were not the same as permanent ideals. Rather he was suggesting principles that would be essential to enable the European Union and the Council of Europe to work together on the same ideals and to be inspired by the same ambition. He was not speaking only of the area of the European Union but of the greater Europe. That vast continent belonged to no one; it belonged to everyone.

The European Union was the greatest work of European genius thus far and the Council of Europe should not seek to replace or to mimic it. The countries of the European Union had both national sovereignty and elements of pooled sovereignty, whereas the Council of Europe was purely an intergovernmental institution. The European Union was for those states which wished and were able to go further. The Council of Europe was not an antechamber to the European Union, and the European Union should not seek to absorb the Council of Europe. The two should aim at a partnership organised on a permanent basis without rivalry. This partnership should be built on common values. The report was based on the idea of pan-European common values.

He would not summarise the whole report, but would mention three or four aspects of it. The two institutions were based on a certain conception of human rights. In the past, European Union member states had been divided on whether the European Union should accede to the European Convention on Human Rights. However, during the drafting of the Constitutional Treaty for the European Union it emerged that there was agreement that it should accede. He recommended that, regardless of the progress towards ratification of the Constitutional Treaty, the European Union should in any case, under Article 48 of the Treaty on European Union, move to accede to the European Convention on Human Rights. Member states should all do the same in order to give the European Union the legal basis on which to accede.

He suggested that the European institutions should look to the Council of Europe as the main continental reference point on human rights. The setting up of the Human Rights Commissioner and the work of the Council of Europe's legal experts should become a beacon in the field. The Council of Europe should be approachable on matters that were not covered by European Union instruments. The future European Fundamental Rights Agency, supported in full by the Austrian presidency, would look only at community law and would not impinge on existing European instruments. The Commissioner needed to be seen as a main partner and should be able to attend meetings of the agency even if he could not vote.

The European Union and the Council of Europe needed to work to create a European legal and judicial space in a Europe without borders. They needed to establish a complementary framework for assessing the standards of human rights policy and needed to strive towards complementary texts. The work of the Venice Commission had been of extraordinary quality. Human rights were one of the most noble areas of the work of the Council of Europe. However, it should not focus entirely on human rights. It was also the main European forum in which policies on sport, youth and culture were discussed. On these matters the Council of Europe and the European Union should further intensify their co-operation. They needed to foster intercultural dialogue, which would be essential in the coming decades. The Council of Europe also needed to focus on dialogue between its 46 members. The European Union should be more outward facing.

If those challenges were to be met, co-operation would need to be defined on the basis of inter-institutional arrangements. The meetings of the two institutions should be taken more seriously than they were at present. Only one meeting was needed each year, but it should work at achieving a better framework for co-operation between the two institutions. The Conference of European Speakers needed to meet more regularly.

The Council of Europe also needed urgently to look into new ways of electing its Secretary General. Secretary Generals had in the past done a very good job. None the less, they could be elected on a model more similar to that used to select the presidents of the European Commission, who were elected from a pool of outstanding European personalities, usually national leaders. That would enable meetings between the President of the European Commission and the Secretary General of the Council of Europe to take place on a more equal footing.

He wanted to say to the Romanian Chairman of the European Foreign Affairs Committee that it needed to take the Council of Europe more seriously. He also wanted to point out that, if the Committee of Ministers met only at ambassadorial level, it would not be taken seriously. Ministers needed to attend in person.

Finally, he wanted the European Union itself to become a member of the Council of Europe. That would be possible by 2010. Before then, it could have a permanent representative at the Council of Europe. The Council of Europe also needed to have diplomatic representation within the European Union. He thanked the President, the Secretary General and the staff for their advice and useful suggestions, without which his report could not have been completed in time. He also expressed a desire to return once a year to report on progress on following up his recommendations.

THE PRESIDENT said that Mr Juncker had demonstrated the art of speaking succinctly on a difficult subject. He also showed that a very small country could produce a great mind. The Council of Europe was glad that Mr Juncker had been recommended for the Charlemagne Prize. His report had made important proposals with which the Council of Europe was in agreement. Like Mr Juncker, he looked forward to tracking the progress of the report.

(The speaker continued in English)

We will now hear from the chairpersons of the political groups. I call Mr de Puig on behalf of the Socialist Group.

Mr DE PUIG *(Spain)* thanked Mr Juncker for his report. He shared the passion for Europe, both in the sense of the European Union and in the wider sense of a greater Europe. Some matters were of pan-European, not just European Union, interest. The European Union represented the integration of Europe, but the Council of Europe with its 46 members represented wider co-operation. The two institutions should be compelled to work better together. Mr Juncker suggested greater co-operation. It was likely that everyone in the room would agree with the principle. He himself had only just read the report very quickly so was making an off-the-cuff response. He had been pleasantly surprised by many of the conclusions, but there were a few omissions. For example, sustainable development and migration could have been included. It had been wonderful to hear Mr Juncker speak, in particular on the subject of European Union accession to the European Convention on Human Rights. He noted the reference to strengthening the institutional capacity of the Council of Europe and agreed that this was very important. Mr Juncker's vision was very pragmatic and realistic but it was also far more – it was visionary.

THE PRESIDENT. – Thank you. I call Mr Van den Brande, of the Group of the European People's Party.

Mr VAN DEN BRANDE (*Belgium*) thanked Mr Juncker who had not just come to talk for the sake of it – he always had something to say. Perhaps one day, he would be canonised as a European saint. The discussion was about two different European institutions but they were both essential. Duplication of effort between the two was silly and they needed to achieve genuine co-operation.

(The speaker continued in English)

When I look at your proposals I am convinced of your position. You spoke of the concept of human rights belonging to the Council of Europe. I was pleased to hear you say that the Council of Europe is the continental reference for all of us, but that has consequences for the European Neighbourhood Policy, for the monitoring of countries and for the implementation of the Venice Commission. The forum for democracy will be a forum for us all – Union players as well as Council players.

I was pleased to hear that you will attribute an important role to the Human Rights Commissioner. You said that the office of Commissioner must be an institution for the European Union as well as the Council of Europe. Of course, the Commissioner must be given the financial and other means to perform his task.

You were very clear about the European Fundamental Rights Agency. You said, as you did in Paris, that the agency's task is only to implement Community law, and made plain that it will not interfere with what we are doing in the Council of Europe.

It is true that the construction of a common platform is an important aspect of human rights, but, as you also said, culture and youth education are at the core of our Council's business, along with inter-cultural dialogue. We must strengthen those elements, but there must also be co-operation between institutions, with not just an executive but a parliamentary dimension.

(The speaker continued in French)

He would read the report carefully. He also wished to address some comments to presidents of other countries. There was a saying in his country about the importance of combining both faith and works. He reminded those present of the importance of that combination.

THE PRESIDENT (Translation). – I ask the *huissiers* to deal with the disturbance in the gallery.

I call Mr Eörsi, who will speak on behalf of the Alliance of Liberals and Democrats for Europe. I congratulate him on his re-election in the Hungarian general election.

Mr EÖRSI (*Hungary*). – I was about to comment on the lack of visibility of the Council of Europe. It is regrettable that its visibility can be improved only by methods such as that which we have just witnessed.

During the election campaign, I was often confronted with the question "Mr Eörsi, can you tell us what your work is in the European Council?" Many people cannot see much difference between the European Union and the Council of Europe, and they tend to confuse the two, but it is also the case that very many members of parliament do not know the difference between the European Council and the Council of Europe. I believe that if you visit a pub here in Strasbourg, you will discover that 80% of people have never heard of the Council of Europe. We must ask ourselves why that is?

The idea of establishing a human rights agency is a good one, but when a stone is thrown, it flies and flies before it lands. In this instance, an idea was launched by the 25 heads of state and government in the European Union, but no one seems to support it. I have not met a single head of state or government who would have said that it was a good idea. Not even the leader of the European Parliament would have said that. The stone continues to fly and fly, however, and I fear that when it falls it will cause great damage to the Council of Europe. Colleagues have expressed the same fear.

I liked what Prime Minister Juncker said about the division of labour between the Council of Europe and the European Union, but experience tells us that rivalry and competition persist. I do not consider it useful to speak merely of the Council of Europe and the European Union. Prime Minister Juncker is right: the bottom line is, what do the 25, and the 46 heads of state and government in both organisations, want to see and to achieve? Many reforms are possible. We have heard about the different way of selecting the Secretary General of the Council of Europe. The real question, though, is "What do the foreign ministers and prime ministers in the 46 member countries want to achieve?"

It is difficult for the Council of Europe to reach decisions, because decisions by the Committee of Ministers are based on consensus. I think that there should be a change along the lines of what happened in the European Union; but those are structural and procedural issues. The real question is "What do we want to achieve?"

Mr Juncker's speech filled me with joy, but I often felt that he was fighting like a Don Quixote. Several other heads of state and government would not agree with his views about the division of labour between the Council of Europe and the European Parliament.

The basic questions relate, of course, to human rights. Fifteen of the 25 member states have enjoyed human rights for so many decades that it is not clear what the real challenges are. We should ask about the nature of the neighbourhood outside the European Union. Most people in Strasbourg have never heard of the Council of Europe, but everyone speaks about the European Union. In a small village in Georgia or Azerbaijan, people do not know much about the European Union; what they speak about is the Council of Europe, and that could be our strength for the future.

THE PRESIDENT. – Thank you. I call Mr Margelov, Chairman of the European Democratic Group.

Mr MARGELOV (*Russian Federation*). – The report is well timed and topical. Relations between the European Union and the Council of Europe require our serious analysis. Both institutions strive for similar aims; both affirm and promote European values. The report convinces us, in a well-grounded way, that our work requires parity rather than competition, but we should agree on that clearly. The Council of Europe and the European Union have common interests, and that requires equal, businesslike relations between them.

The geographical and political framework of the Council of Europe's activities is larger than that of the European Union. In fact, it includes states that do not intend to join the EU. In the framework of intercultural dialogue, the Council of Europe will further develop contacts with lawmakers from various countries. In particular, we consider that they should include all CIS states, including Belarus. Should anyone really be instructing the Council of Europe on whom we should and should not talk to?

Spreading European values remains the main task of the Council of Europe. That does not mean that the European Union is not pursuing a similar aim; but the ways in which the two organisations achieve their aims should not overlap. Unlike the European Union, we are not concluding trade agreements or wrestling with geopolitical issues.

Russia, for example, does not interact with the European Union in the framework of its European Neighbourhood Policy and the concept of "Enlarged Europe – neighbourhood: new framework of the relations with our eastern and southern neighbours". Russia co-operates with the EU in four areas. As for the promotion of European values, there is no need for special mediation by the EU between the Council of Europe and Russia. The Council of Europe deserves the right to be the leading European organisation.

Mutual understanding between the Council of Europe and the European Union has multiple aspects. In particular, it supposes the existence of a legal field in Europe in which one legal system does not oppress the other. The legal space of Europe is not equal to the EU legal space. We should maintain that the influence of the EU normative system should not consist of a unilateral impact on norms adopted in the framework of the Council of Europe. Ideally the influence should be mutual. For the pan-European cause, a common legal field is very significant. There should be no precedents of "legal immunity" of EU member states.

I understand that neither the excellent report with which we have been presented nor the future memorandum will terminate our discussions about interaction between the Council of Europe and the European Union, but the way in which we put issues on the agenda shows that this is not about a competition for championship. The matter of European values is too serious to expend resources on rivalries between the two major European institutions rather than on the promotion of those values.

THE PRESIDENT. – Thank you, Mr Margelov. I call Mr Einarsson, on behalf of the Group of the Unified European Left.

Mr EINARSSON (*Sweden*). – I have not had the chance to read Mr Juncker's report, but after hearing his presentation it is safe to take the political risk of thanking him nevertheless for his valuable work. I am sure that his report will be an important tool when we continue our discussions on the political architecture of Europe.

I shall limit myself to just a few comments. I totally agree with Mr Juncker and the other speakers that we should have relations between the European Union and the Council of Europe based on co-operation and that we should avoid duplication of their work. That is important because duplication will lead to competition, and we all know who will win that competition – the part with the superior resources.

We all know the relationship between the European Union and the Council of Europe in terms of economic resources, but we should compare the two organisations in a different manner. When it comes to expertise, experience, foundation on international law and connection with national political life, the Council of Europe is – in the field of human rights, democracy and the rule of law – the giant of Europe while the European Union is perhaps not a dwarf, but at least the little sister or little brother.

The Council of Europe, the European Union and the governments of Europe are facing the moment of truth. Frankly, it is not that important what our governments say about the significance of the Council of Europe. What is important is what they do when it comes to allocation of resources and budgetary decisions. When governments decide on resources, they tell us what they really think about the institutions of Europe. If the governments do not fully realise the value and importance of the Council of Europe, it is the duty of the parliamentarians of Europe to show them what that importance is. After all, the governments are governments only because we, the parliamentarians, allow them to be governments.

Mr Juncker's report will be a valuable tool and an inspiration in our discussions on the political architecture of Europe. It will show that there is no future for Europe without the work of the Council of Europe.

THE PRESIDENT. – Thank you, Mr Einarsson. I give the floor to the Secretary General of the Council of Europe, Mr Terry Davis. You have four minutes.

Mr DAVIS (*Secretary General of the Council of Europe*). – Thank you, President. Clearly, Prime Minister Juncker is not only a seasoned politician with impeccable European credentials, but someone who does not automatically assume that bigger is always better and more efficient.

We are short of time and I shall limit myself to three comments on Mr Juncker's report. First, I agree with his recommendations, including the one in which he says that I should have been the Prime Minister of the United Kingdom. I am sure that my mother would agree with him.

The Prime Minister's proposals are clear, practical and helpful. They also, in most cases, call for important decisions by the European Union. I hope that he will also find a way to present his report in an appropriate meeting of the 25. Of course, as he reminded us, he has prepared his report in a personal capacity, but I hope that he will not leave it there. In other words, I hope that plain Mr Juncker, operating in a personal capacity, will persuade Prime Minister Juncker, operating in an official capacity, to press for those proposals to be adopted by the European Union as well as the Council of Europe.

Secondly, I want to stress the importance of the Prime Minister's last proposal, recommending European Union membership of the Council of Europe. Practically all the other recommendations of Prime Minister Juncker follow logically from the general principle that the European Union has the obligation to respect human rights and the Council of Europe the mandate to protect them.

That, of course, does not mean that the European Union has no role to play in the protection of human rights in Europe. As with every other level and form of government in Europe, the European Union should have adequate supervisory mechanisms ensuring that European Union competence is exercised in full compliance with the European Convention on Human Rights.

I therefore agree with Prime Minister Juncker that the effective protection of human rights in the European Union and throughout Europe would be greatly helped by early accession of the European Union to the ECHR and that the mandate of the proposed European Fundamental Rights Agency should be limited to ensuring the observation of Community law.

It also follows that the means and attention given by European Union member states to the new agency should not come at the expense of their financial and political support for the Council of Europe and our Court of Human Rights, which must continue to be the principal mechanism for the protection and extension of human rights in Europe.

Thirdly, I thank Prime Minister Juncker for making the point that clarity and efficiency require consultation that is not only regular, but begins at the earliest possible stage. I thank him very much for his insistence on appropriate reciprocal representation in our institutional relations.

These are important issues that should be properly reflected in a future memorandum of understanding on institutional relations between the Council of Europe and the European Union. Of course, those relations are not and will not be limited to the protection of human rights, but they should always follow the same principle: using common sense for common good.

THE PRESIDENT. – Thank you. I remind members that the vote is in progress to elect one judge to the European Court of Human Rights. The poll will close at 1 p.m. Those who have not yet voted may still do so in the area behind the President's chair.

We now have the honour of hearing a statement by Mr Călin Popescu-Tăriceanu, Prime Minister of Romania, which holds the chairmanship of the Committee of Ministers of the Council of Europe.

Prime Minister, under your leadership, your government has successfully undertaken sweeping reforms to fight corruption, strengthen the judiciary and increase the efficiency of public administration. I would like to commend you for your achievements and wish you and your people success in your efforts to complete final preparations for accession to the European Union.

Political and legal reforms, and consolidation of democracy and democratic institutions in your country, are the result of an intensive dialogue and co-operation with the Council of Europe and its Assembly. We have already met, and I know that you greatly appreciate the assistance of the Council of Europe.

Our debate today is important for all European countries, but in particular for those outside the European Union. I fully share the view of our colleague, Mr Kosachev, that, "The European Union is undoubtedly an effective organisation." But only the Council of Europe exercises authority right across Europe.

Prime Minister, we are certain that the Romanian presidency of the Council of Europe will live up to our expectations by giving our Organisation its rightful place in the European political landscape. You have the floor.

Mr POPESCU-TĂRICEANU (*Prime Minister of Romania*) said what an honour and pleasure it was to be in the Assembly with Mr Juncker and Mr Schüssel. The Council of Europe and the European Union were lucky that a convinced European like Mr Juncker had looked into these issues. When he had been invited to prepare the report, he had been the longest serving head of government not only in the European Union, but the Council of Europe, states. Mr Juncker's courage, intellect and plain speaking were important attributes, and the fact that two prime ministers and the President of the European Commission were present to listen to him was testament to his stature.

It was an honour for Romania to chair the Council of Europe's Committee of Ministers. The Council of Europe had welcomed Romania when it opted for democracy. It joined the Council of Europe in 1993 and was now preparing to join the European Union. The Council of Europe had played a crucial role in helping his country to achieve its objective of joining the European Union. The Assembly had played its part and he urged members to support the accession treaty for Romania. Romania shared borders both with the European Union and with other states hoping to join. It would share its experiences with the latter.

The Council of Europe was the source of a pan-European culture of democracy, and its role in bolstering that democracy should be strengthened. It could not be relegated to the role of waiting room for the European Union. Democracy and security were never won once and for all, so the Council of Europe would always be needed even by member states of the European Union. Mr Juncker had made some practical suggestions on remodelling the partnership between the Council and the EU and Romania would use its chairmanship of the Committee of Ministers to pursue these proposals. He was certain that Russia, the next chair, would continue his work. Austria, as the President of the European Union, could also be counted on.

The first stage was to finalise the Memorandum of Understanding between the Council of Europe and the European Union. When the United Kingdom drafted this, it was understood that it was open to discussion and revision. Now Mr Juncker's ideas should be included. It was hoped that the Memorandum of Understanding would be completed during Romania's period in the chair. The Memorandum of Understanding should be a political document aiming at partnership. That would include areas such as the European neighbourhood project and various human rights initiatives. Some of Mr Juncker's ideas were for the longer term, including, for instance, the accession of the European Union to the Council of Europe. Some others were specific to the Council of Europe. Those ideas would be included on the agenda of the meeting of the Committee of Ministers on 18 and 19 May, and he would seek to set up a monitoring group consisting of Council of Europe and European Union members to oversee progress.

He suggested that Mr Schüssel should propose this to the European Union with a view to the monitoring group reporting within one year. It was a challenge but an exhilarating one which would be appreciated by future generations.

THE PRESIDENT thanked Mr Popescu-Tăriceanu and called Mr Schüssel. He said that Mr Schüssel had pointed to a crisis of confidence in the European institutions which was both a threat and an opportunity. He hoped that Mr Schüssel would take up the opportunity and use his leadership and vision to the advantage of the European Union. Austria was central to the new Europe and in taking up the presidency had mentioned the fact that the abstract nature of aspects of the European project had an impact on public confidence. He had promised to strengthen the European Union. The Assembly's message to Mr Schüssel was that the Council of Europe was the pan-European platform for building a Europe without dividing lines.

Mr SCHÜSSEL (*Federal Chancellor of Austria*) reminded the Assembly that he was speaking as the President of the European Council. The Assembly represented the whole of Europe and it was important to stress the alternative mandates of the two institutions. He could not express personal views but could speak only on the basis of a common position within the European Council.

In 2006, Austria was celebrating the 50th anniversary of its accession to the Council of Europe. That was a good point at which to look at the past, to take stock and to learn. Austria had been highly committed to the Council of Europe and that had continued despite its later accession to the European Union. Austria had provided three Secretaries General of the Council of Europe, two Presidents of the Assembly and one President of the Congress of Local and Regional Authorities. He paid tribute to Peter Schieder, under whose guidance Serbia and Montenegro had acceded to the Council of Europe. That event had brought greater stability to the region, and there had been many other important human rights initiatives during the period.

(The speaker continued in English)

Ladies and gentlemen, in my capacity as President of the Council of the European Union for the first half of this year, I should like to welcome the report of Prime Minister Jean-Claude Juncker as an important contribution to discussion of the multilateral architecture of Europe. The issue is all too rarely addressed in a coherent fashion, for obvious reasons. There are many vested interests, institutional inertia and political reservations to overcome. Herr Juncker's approach of giving his very personal view is probably the only way to produce such a clear and concise paper, as it would never have passed through a committee.

The European Union, the Council of Europe and the Organisation for Economic Co-operation and Development are all vital parts of the European architecture, each with its own vocation and its own comparative advantages. We should not shy away from the fact that that architecture is in need of modernisation if it is to meet the challenges of the 21st century. Huge changes in the international environment, as well as internal developments, simply leave no room for duplication. In order to maximise the effectiveness of our actions, we must maximise co-operation and co-ordination between our organisations.

I hope that clear consensus will emerge as we continue our debates on the Juncker report. The project outlined would move us in the right direction by focusing the work of the Council of Europe on its core strengths – democracy, human rights and the rule of law. We can take a significant step towards creating a stronger European architecture.

The Council of Europe and the European Union already have a history of close and successful co-operation in helping countries through transition processes, and that is something that we can and should

develop further. From the EU's perspective, the Council of Europe is, and will remain, an irreplaceable partner. We rely heavily on its excellent contributions on monitoring the compliance of candidate countries with the so-called political criteria for accession. Monitoring reports, the assessments of the Commissioner for Human Rights and specialist work on racism, torture, corruption and so on are tremendously important resources for us. We make use of them when we prepare the democratic and political sections of our own reports, and we should probably express our gratitude more often than we do for the valuable input and expertise of the Council of Europe.

The Memorandum of Understanding between the European Union and the Council of Europe is a decisive matter for us all. Particular focus should be placed on how the EU and its member states can make better use of the Council of Europe's instruments and institutions. We should all benefit from closer links between the Council of Europe and the European Union. The memorandum should deepen and extend the political dialogue between the two institutions, building on the existing agreements of 1987 and 2001. We should build on the attachment of both organisations to the same values – our common commitment to the promotion of pluralistic democracy, respect for and protection of human rights, fundamental freedoms and the rule of law. It is easy to say that, but nothing is perfect, not even legislation or the implementation of all our laws and commitments. But we are on the way; we are moving in the right direction.

Let me briefly mention, in accordance with the report, some of the principles that should guide the Council of Europe and the European Union. First, there is the strengthening of relations in the fields of human rights and fundamental freedoms, the fight against all forms of discrimination and xenophobia, the promotion of pluralistic democracy and the rule of law, and political and legal co-operation, social cohesion and intercultural dialogue.

As a second priority, our co-operation should include an enhanced sharing of information, dialogues on strategy and policy issues, and developing common views on priority areas. Third, as Jean-Claude outlined, the Parliamentary Assembly of the Council of Europe should be encouraged to meet regularly to reinforce co-operation. Fourthly, civil society non-governmental organisations must be involved, a point on which the Council of Europe has been strong for decades. Fifthly, we must develop increased co-operation among the countries participating in the European Union's Neighbourhood Policy and the stabilisation and association processes. Sixthly, legal co-operation should be further developed – for example, by accession by the European Union to the Council of Europe's conventions.

I know that there is some concern in the Chamber about the European Union's Fundamental Rights Agency. Let me be clear: the agency is not a danger to the Council of Europe but an opportunity for it. It is an opportunity further to increase co-operation and to contribute towards greater coherence and enhanced complementarity. It can enhance co-operation with the European Commission in acting against racism and intolerance. The European Union's monitoring centre has already proved excellent on that.

The two bodies, in working closely together, have developed clear methods of co-operation, have avoided duplication and have created synergies. The Council of Europe and the European Union can, through the agency, increase the opportunities for co-operation. We are certainly not in favour of any duplication, let alone the replacement of any of the excellent methods and institutions of the Council of Europe.

It is a great coincidence that I can celebrate Austria's fifty years in the Council of Europe at the same time as we discuss the guiding plans inaugurated by Jean-Claude Juncker for a European architecture of the future. I wish us all good luck.

THE PRESIDENT thanked the Chancellor and congratulated him on the 50th anniversary of Austria's membership of the Council of Europe. History must continue to create commitments for the future. He welcomed the discussion of the values that the Council of Europe embodied for Austria. He hoped that further reflection would initiate better co-operation on the basis of the report presented by Mr Juncker.

(The speaker continued in English)

I will now give the floor to the list of speakers. I remind members that speaking time is limited to three minutes.

I call Mr Pangalos on behalf of the Socialist Group.

Mr PANGALOS (*Greece*) expressed the joy of all his colleagues that three such illustrious contributors to the building of Europe could address the Council of Europe. Mr Juncker had made a valuable contribution to the debate. It was not the first time that a leader of a member state had made an essential contribution to discussions on the building of Europe. However, European citizens were still concerned about several issues. It appeared that the coffers of the European Union were not full enough. Recently the people of several countries had rejected a draft constitutional treaty. It seemed that the Lisbon process was at a standstill. The issues of society, culture and human rights were addressed by the Council of Europe. That was not always easy. He wanted to know whether a European Agency for Fundamental Rights was strictly necessary given the context of the European Court of Justice and the work of the Council of Europe. He suspected that the new agency would be superfluous.

THE PRESIDENT. – Thank you. I call Mr Nachbar.

Mr NACHBAR (*France*) congratulated Mr Juncker on an outstanding statement. He wanted to know what Mr Juncker's intentions were with regards to the European Union and its position on human rights and wondered whether plurality would not eventually weaken legal standards on human rights. Also, how could the European Agency for Fundamental Rights confine itself to legal rights within the European Union without encroaching on the work of the Council of Europe? This was particularly pertinent when it came to the accession countries.

THE PRESIDENT . – Thank you. I call Mr Gross.

Mr GROSS (*Switzerland*) had not yet read the report but was looking forward to so doing. The points made by Mr Juncker deserved support. Delegates should return to their governments and report what had been said. All governments needed to take the Council of Europe more seriously. Many underestimated it. He thought that Mr Juncker had been a little too modest. It was reasonable to propose small, neat steps, but a broader outlook was also possible. Human dignity was at the core of the work of the Council of Europe. It meant that individuals could be free only if they had the right to act for themselves. In many countries where that had not been possible for the past fifty to sixty years people needed to be enabled to make history, instead of being subject to it. The states of the former Soviet Union needed particular help in that regard. The Council of Europe could contribute to the achievement of this. With regard to the European Union neighbourhood policy, the Council of Europe was already doing most of this work.

THE PRESIDENT (Translation).– Thank you. I call Mr Schreiner.

Mr SCHREINER (*France*) thanked the President and the other speakers. He thanked Mr Juncker in particular for the concern that he had shown for the Council of Europe in coming to address it on the subject of his report. The Council of Europe and the European Union were two different institutions which were not trying to do the same job. Competition was pointless; there needed to be better co-operation. The two institutions could work together to produce a framework with clearly defined areas of responsibility. The European Agency for Fundamental Rights would be strictly limited to European Community law. The Council of Europe could none the less continue its work with authority and independence. The European Union should accede to the European Convention on Human Rights. Without the necessary means the Council of Europe would be unable to carry out its mission and withstand the pressure from the European Union. The two institutions were different sizes and had different histories and jurisdictions, but this should not mean that they did not work together.

THE PRESIDENT. – Thank you. I call Mr Kosachev to speak on behalf of the European Democratic Group.

Mr KOSACHEV (*Russian Federation*) thanked Mr Juncker for his excellent report and recognised that its ideas required a certain amount of political courage to implement, not least because they might not be fully welcomed by the European Union. That week the Assembly would be discussing the Middle East, but without any Palestinian representatives. That was because of the European Union's views. Belarus was also to be discussed, but it would not be possible to invite the Speaker of the Belarusian Parliament because the European Union had made him a *persona non grata*. Three conventions of the Council of Europe would soon come into force, but the European Union had put a "double bottom" to the way in which they would be implemented within the European Union area.

Brussels had a specific way of seeing the relationship between the two organisations, but the Council of Europe was not the younger brother. The two organisations had to be viewed as sovereign equals. That would be possible only if the European Union were a party to the Council of Europe's

conventions, especially the European Convention on Human Rights and Fundamental Freedoms. Further dialogue would help in this regard; not just at the level of the Council of Ministers, but also with parliamentarians.

THE PRESIDENT. – Thank you. I call Mr Christodoulides to speak on behalf of the Group of the United European Left.

Mr CHRISTODOULIDES (*Cyprus*). – The hard years of conflict that have so deeply traumatised our continent gave birth to our Organisation, the Council of Europe. The Council gave meaning to the concept of true co-operation between sovereign states and taught us the benefits of peaceful co-existence and harmonious co-operation between nations and peoples, irrespective of ethnicity, culture, religion or colour. The message of our Organisation has been, and continues to be, the desirability of a reunified, peaceful Europe founded on democracy and respect for the rule of law and human rights, under which all differences become equals.

It is crucial, therefore, that the relationship between the Council of Europe, comprising 46 member states, and the European Union, which today has 25 member states, should be harmonious and involve maximum co-operation in order to achieve the ultimate goal of both organisations: a prosperous and peaceful future for the whole European continent. The third summit in Warsaw in May 2005 was a real landmark in the history of pan-European unity. There was a serious and determined commitment to the creation of a new framework for co-operation and interaction on matters of common concern, especially human rights, democracy and the rule of law.

The Group of the United European Left strongly believes that by joining forces, the Council of Europe and the European Union can render our continent free of conflict, animosity and terror. They can assist, constructively and fruitfully, in the reaching of solutions to long-standing problems such as the Cyprus problem – to the benefit of all Cypriots who are also citizens of the European Union – based on justice, the rule of law and respect for human rights and fundamental freedoms.

Let me stress very strongly that we must all be determined to create a new framework for co-operation and interaction between the Council of Europe and the European Union on matters of common concern such as respect for human rights, democracy and the rule of law, with the aim of building a democratic and secure Europe whose citizens can have faith in it.

Last but not least, we congratulate the distinguished and highly respected Prime Minister of Luxembourg, Jean-Claude Juncker, on his excellent report, which deals with a very important issue.

(Mr Arzilli, Vice-President of the Assembly, took the Chair in place of Mr van der Linden.)

THE PRESIDENT (Translation). – Thank you.

I must now interrupt the list of speakers. The speeches of members on the speakers' list who have been present during the debate but have not been able to speak may be given to the Table Office for publication in the official report.

I give the floor to Mr Schüssel.

Mr SCHÜSSEL (*Federal Chancellor of Austria*) reiterated the previous speakers' comments that the Council of Europe was not the younger brother of Europe. With regard to the Agency for Fundamental Rights, they simply could not afford a duplication of bodies, particularly in terms of the budget. It was necessary to rationalise. It was also important that the monetary process should be fully understood in the Council of Europe. There was a need to find common solutions, and he thanked Mr Juncker for his suggestions on that. Discussions still needed to be held in many countries, but common solutions could be reached.

(Mr van der Linden, President of the Assembly, took the Chair in place of Mr Arzilli.)

THE PRESIDENT. – Thank you. I call Mr Popescu-Tăriceanu.

Mr POPESCU-TĂRICEANU (*Prime Minister of Romania*) once again welcomed Mr Juncker's recommendations in his report on the relationship between the two institutions. He hoped that a Memorandum of Understanding would be concluded by May 2006.

THE PRESIDENT called Mr Juncker to reply.

Mr JUNCKER (*Prime Minister of Luxembourg*) thanked all of those who had wanted to speak to his report and who had praised him. He had enjoyed the applause.

On the various comments made, he turned first to the European Neighbourhood Policy. He thought that the Council of Europe and the European Union should move ahead with joint programmes on that. On European Union accession to the European Convention on Human Rights and Fundamental Freedoms, he considered that under Article 48 of the relevant treaty the European Union could in fact accede. That would need the approval of both national parliaments and of the European Parliament. In terms of the Agency for Fundamental Rights some fine tuning was required. It was important that representatives of the Council of Europe had a permanent presence in the structure of the agency.

The Luxembourg presidency had found judicious terms to underscore the fact that the European Union member states did not wish to de-couple themselves from Council of Europe standards, but wanted a special European Union clause to enhance the level of judicial security. That was known as the disconnection clause.

THE PRESIDENT. – Thank you, Mr Juncker. That concludes the debate. May I thank the three heads of government for being here? Their presence is an expression of the importance of this Assembly. Mr Juncker's report and the contribution made today by these three leaders are the start of a new phase of co-operation between the Council of Europe and the European Union. Many speakers have not been able to express their opinions and ask questions, but this is the start of a new discussion, which we will have together with the European Parliament.

I thank the President of the Council of the European Union, Mr Schüssel, especially for his willingness to take on board in the conclusions of the summit in June a reference to the Juncker report.

Thank you very much. I am sure that this will not be our last debate together. We count on your support in the Council of the European Union.

7. Address by Mr José Manuel Barroso, President of the European Commission

THE PRESIDENT. – We now have the honour of hearing an address by Mr José Manuel Barroso, President of the European Commission. Mr Barroso has agreed to take questions from the floor after his address.

Dear colleagues, it is a great pleasure for me to welcome the President of the European Commission. Your statement to our Assembly today will complete an historic moment. Earlier this morning, Prime Minister Juncker presented his eagerly awaited report on relations between the Council of Europe and the European Union. Prime Minister Popescu-Tăriceanu and Chancellor Schüssel, representing at the highest political level the chairmanship and presidency of the intergovernmental bodies of each institution, opened our debate. We are therefore grateful that the European Commission is also participating in our discussions through its highest authority.

President, you are at the Commission's helm in rough weather indeed. The European Constitutional Treaty has taken a blow from the French and the Dutch voters. I am sorry to say that the Dutch voters were involved; for me, that is a pity. But the treaty should be revived and the achievements in it have to be implemented in the interest of Europe as a whole.

Many in Europe have become very doubtful about enlargement, but enlargement should continue. It is obvious that it will and must be subject to strict scrutiny of an applicant country's performance. Political promises, however, should be kept, in particular those made to Turkey and the western Balkans. And Turkey and the western Balkans must keep theirs, however long it takes. Legitimate expectations have been raised. Disappointing them could have serious consequences for stability in Europe.

President, in my inaugural speech, I mentioned enhanced co-operation with the European Union as one of the priorities of my presidency of the Assembly. The Council of Europe's Warsaw Summit rightly also put much emphasis on that.

As of today, Prime Minister Juncker's report has provided us with essential guidance on how to improve our co-operation for the benefit of Europe's citizens. We must build a Europe without dividing lines.

President, our Assembly counts on your personal involvement and contribution to ensure that the Memorandum of Understanding between the European Union and the Council of Europe will be based on Prime Minister Juncker's report, the EU will make systematic use of the expertise involved in the Council of Europe's mechanisms and instruments, the European Neighbourhood Policy will integrate the norms and values of the Council of Europe, the European Union will avoid setting up new institutions and organs that duplicate work that for the past fifty years has been carried out by the Council of Europe and, last but not least, the quadripartite meetings will be enlarged to include a parliamentary dimension with the participation of the European Parliament and the Parliamentary Assembly of the Council of Europe.

President, we are very much looking forward to hearing your views. You have the floor.

Mr BARROSO (*President of the European Commission*) said that he was grateful for the opportunity to address the Assembly. He wished to underscore the links that bound the two institutions, to think about the challenges facing Europe and to seek common solutions. Some months ago he had been in Strasbourg to attend the ceremony to mark the 50th anniversary of the European flag. The European project had continued to unfurl over those fifty years, including with the creation of the European Union.

Dialogue, peace, democracy and human rights were common ground for both institutions. It was important to remember these shared values, for they also faced shared challenges. The objectives of the two institutions coincided. For instance, both sought prosperity, security, solidarity, a free Europe living in peace and a Europe that was a stronger player on the world stage. The European Union could find solutions only with its partners, whether they were candidate states, those who were linked through the neighbourhood project or other Council of Europe members. A common approach was needed to globalisation, for the future of all Europeans was too intertwined to allow a partial approach. Common values were the basis for rising to shared challenges, but it was necessary to avoid rivalry. Relations between the Council of Europe and the European Union should respect the principle of complementarity.

Current events showed the continuing importance of Council of Europe institutions. For instance, the Vienna Commission could help over Kosovo, Montenegro, Transnistria, North and South Ossetia and Abkhazia. The Court of Human Rights was a unique phenomenon which should be preserved, although it should not become stifled as a result of overload.

On the European Convention for Human Rights, he would encourage the 11 states which had not yet ratified to do so as quickly as was reasonably possible. He also wished to see a definitive abolition of the death penalty. He stressed the importance of the Council of Europe's Human Rights Commissioner, and congratulated Mr Gil-Robles, who had just left office, for the skill with which he performed his duties. Mr Gil-Robles would become a benchmark for future Commissioners. He gave his best wishes to Mr Hammarberg who had just taken over.

He welcomed the Assembly's initiative on the transfer of prisoners in contravention of relevant treaties. He was glad that Mr Davis had committed the necessary resources to the investigation of that matter. Even in the war on terrorism basic rights must be respected. Also, there were many staff meetings between the Council of Europe and the European Union on joint issues. Recent meetings had covered judicial co-operation, pluralism in the media, and human rights and terrorism. The two institutions would work together to promote democracy, the rule of law and human rights, whether in the Balkans, Russia or the Caucasus. In 11 countries in transition a network of political colleges had been established to train a new corps of leaders. He turned to Plan D, which stood for dialogue with the public. In many areas the Council of Europe's work would benefit Plan D.

(The speaker continued in English)

Mr President, ladies and gentlemen, I would like to come back to the subject of the place of Europe in the world. In that respect, the future of the multilateral architecture is one of the essential issues that we must address. The EU, the Council of Europe and the OSCE are all vital parts of that architecture. Each has its own vocation and its own added value, but we should not shy away from the fact that that architecture needs to be modernised to meet the challenges of the 21st century.

Given the resource constraints that we face there is simply no scope for duplication and to maximise the effectiveness of our actions, we must maximise co-operation and co-ordination between different organisations.

We saw a clear consensus emerge along those lines at the Warsaw Summit last May when important decisions were taken to move us in the right direction. By deciding that the Council of Europe should focus its work on its core values we took significant steps towards a stronger and more effective European architecture.

The report of Prime Minister Juncker, which has been presented to you this morning, will be extremely helpful in guiding our future efforts. The European Commission has played its part in increasing co-operation between us and we worked with the United Kingdom presidency and many of your member countries to put together a draft memorandum of understanding between the European Union and the Council of Europe which from now on will be discussed with our Council of Europe partners.

We need to take time carefully to examine the recommendations contained in Prime Minister Juncker's report in order to be able to take them into account during the forthcoming discussions on a future memorandum of understanding. There are many other examples of efforts that have been made already to improve practical co-operation and synergies. We are presently discussing at an EU level with the Council of Europe's Secretariat how to structure co-operation between the Council of Europe and the EU's forthcoming European Fundamental Rights Agency. This agency will be a direct answer to the 1997 recommendation of the Council of Europe, asking member states to consider the creation of effective national human rights institutions. Due to the particularity of the EU, this future agency will focus on the application of Community law and I assure you that everything will be done to prevent unnecessary duplication. For this reason we wish to conclude as quickly as possible the bilateral co-operation agreement with the Secretariat on the issue.

We are taking steps to improve co-operation at a political level and we are developing ideas to give the so-called quadripartite meeting between the EU and the Council of Europe at a ministerial level greater dynamism and ambition. We are discussing the legal and technical questions that will arise when the time is right for the EU's accession to the European Convention on Human Rights. It is important to know exactly what member states think about this idea. Of course the Commission will never oppose it. On the contrary, the Commission is in favour of a clear linkage between the EU and the European Convention on Human Rights.

In order to be efficient, it is important that we concentrate our efforts on a limited number of fields. Our co-operation must not only be a better one, it must be better focused. There are two areas to which we should give priority, the European Neighbourhood Policy and enlargement.

On the neighbourhood policy, the EU's newest foreign policy instrument has been a great success in clarifying the EU's approach to those countries that are either not interested or not ready for membership of the EU. Many of the partners in this policy are members of the Council of Europe so there is a natural synergy to be exploited.

In addition to discussing our strategic priorities, we are committed to developing mutually supportive and reinforcing activities, programmes and projects. The EU's future financial instrument, to be created for the policy, will give us more tools and new perspectives for complementarity on cross-border co-operation and a wide range of other areas. Of course much of this aspiration for the agency comes from our successful experience with enlargement and a lot of the action comes from a doctrine that was born in the Council of Europe.

The EU relied greatly on the excellent work of the Council of Europe on monitoring the compliance of candidate countries with the political criteria for enlargement. I am sure that we will continue to draw on the Council of Europe's experience and expertise in developing political efforts and our relations with other neighbours too.

In that respect I wish to refer to Belarus, which is on the list of countries that might benefit from the neighbourhood policy. Unfortunately, as you know, Belarus is not meeting the minimum democratic criteria to be offered such a possibility. The latest presidential election has confirmed that for the time being this is out of the question. We hope that contact with civil society and the provision of better information to the population will mean that at the end of the day democracy will prevail and Belarus will take a normal place in the European family. For the EU, Belarus's admission to the Council of Europe will be an essential signal that will demonstrate a new commitment to European democratic values.

Second in my order of priorities is our work on enlargement. We need to build on our close co-operation with the Council of Europe members as countries in the western Balkans are preparing for association agreements and in the long run European Union membership. The Commission has just

opened a new negotiation chapter on judiciary and fundamental rights where enhanced co-operation is just starting and will prove to be invaluable. As for Turkey, we have started the process of negotiation. I know that it will be a long journey but I am confident that we will have a successful resolution.

As the international community tries to overcome the difficulties and resolve the sensitive case of Kosovo the two organisations will need to work even more closely together. We also need to co-ordinate with the Council of Europe presidency of the day. I take this opportunity to congratulate the Romanian presidency, and specifically the Romanian Prime Minister who is here today, on all it is doing to promote European Union/Council of Europe relations.

I will also follow with great attention how the Russian Federation will steer the Organisation, when for the first time in its history it takes the helm of the Council of Europe. I met President Putin recently and I know that Mr van der Linden has been to Moscow to discuss Russia's priorities during its presidency of the Council of Europe. Those visits show the importance that we attach to our strategic partner, Russia. I am impressed by the long list of activities that Russia proposes for its presidency and I have noted a commitment to "upgrade democratic institutions and civil society".

Therefore, I would encourage Russia to take practical steps in this regard. For instance, we hope that Russia will use its considerable influence to persuade Belarus to take the measures that will allow that country quickly to re-enter the European family of democracies.

Let me conclude by recalling that our organisations are based on the same principles and values and have the same goals. We want to build a more dynamic, rational and coherent Europe, based on shared values. In doing this we should not forget the OSCE, of which we are also members. Undoubtedly positive steps are being taken to improve co-operation between the three organisations but we need to develop a longer term and more strategic debate and vision about the added value and core strengths of the pillars of European architecture.

Let me assure you that the European Commission will continue to do its share of the work and will co-operate as closely as ever with the Council of Europe in order to reach our common goals. I believe that the European dream is more relevant than ever, and more valid than ever is our goal of Europe without dividing lines.

THE PRESIDENT. – Thank you very much, Mr Barroso, for your most interesting speech, particularly your suggestion on future co-operation between the European Union and the Council of Europe. Of course, Europe is a combination of head and heart, and I assure you that the Council of Europe deals especially with the heart – the citizens – which can be of particular use to the European Union. Finally, we can perhaps see how to take the Memorandum of Understanding into account within the Juncker report rather than taking the Juncker report into the Memorandum of Understanding. With that remark, I give you the Assembly's preference as raised several times.

I remind members that questions must be limited to thirty seconds and no more. Colleagues should ask questions and not make speeches.

We begin with questions from the spokespersons of the political groups. Then, because many members wish to ask questions, I have decided to group the questions according to their subject matter while maintaining a balance between political groups and national delegations. The list which has been circulated was drawn up on this basis.

The first question is from Mrs Durrieu on behalf of the Socialist Group.

Mrs DURRIEU (*France*) thanked Mr Barroso. Democracy carried both rules and risks. In Palestine, Hamas was now in government with a parliamentary majority. The international community had made a decision between dialogue and a show of strength and had opted for the latter. Had Mr Barroso taken into account the risks of this strategy and what were the chances of sustainable peace in the region?

THE PRESIDENT. – Thank you. I understand that Mr Barroso will respond later after the first five questions. I call Mrs Bemelmans-Videc.

Mrs BEMELMANS-VIDEC (*Netherlands*). – My question relates to the core position and role of the European Court of Human Rights. Given the Court's contribution to the European Union's current and future legal order, and given its role as guardian of the key principles enshrined in the Union's legal

instruments, is it not your view that it would be in the interests of the European Union for the Court to continue to fulfil its important role in the best possible conditions? Would you be willing actively to seek a means by which the Commission could make a financial contribution to the Court, in view of the European Union's future accession to the European Convention on Human Rights?

THE PRESIDENT. – Thank you. I call Mr Eörsi on behalf of the Alliance of Liberals and Democrats for Europe.

Mr EÖRSI (*Hungary*). – European Liberal Democrats are most concerned about a new virus spreading all over Europe. Theorists have identified this virus as PEP – pan-European populism. There are problems for the Lisbon strategy and for financial discussions. My question is about your strategy and where it lies on stopping PEP becoming too strong in the future.

THE PRESIDENT. – Thank you, and thank you for the example you set in asking your question within thirty seconds. The next speaker is Baroness Hooper on behalf of the European Democratic Group.

BARONESS HOOPER (*United Kingdom*). – Given the ever more recognised role of cultural heritage in informing the Europe of today, and given that the Council of Europe is a leading player in the field with its cultural convention dating from 1954, with 46 signatories, and given the many and ongoing subsequent declarations, recommendations and reports, can the President of the Commission tell us what plans and proposals the Commission may have to co-operate with the Council of Europe in this area and to avoid duplication?

THE PRESIDENT. – Thank you. The final speaker in this group of questions is Mr Kox on behalf of the Group of the Unified European Left.

Mr KOX (*Netherlands*). – Mr President, would you comment on the growing fear that the European Union is intervening in the work of the Council of Europe and its Assembly? I will mention two examples – the duplication of our work by the new EU Fundamental Rights Agency, and the EU's refusal to provide visas for the Palestinian parliamentarians whom we invited to today's debate on the Middle East. In doing the latter, you made us feel ashamed. Is this an emerging EU imperialism, or are we seeing something else happening?

THE PRESIDENT. – Thank you. I call Mr Barroso to reply.

Mr BARROSO. – Let me start with Palestine. The European Union has been by far the international entity that has most supported the Palestinian people. No other international body gave the Palestinian people the support that the EU and its member states have given. We want to give that support. We are committed to the principles of peace, and we support the peace process. That is why we need some clarification of the commitment of all the parties involved to the principles agreed by the Quartet. We remain loyal to those principles and to the principles subscribed to by the international community. We believe that they provide the way forward, and we hope that a clear commitment to peace will be given by all parties to the conflict.

However, on the question regarding visas, that is not a competence of the European Commission; that competence lies with the member states, so Mr Kox will have to address his question to the member states that refused the visas. The Commission has no competence in the matter, except for proposing legislation, and we are putting forward some ideas.

On the Court of Human Rights, the problem is, as you know, that Article 50 of the convention relating to the Court makes it clear that "expenditure of the Court shall be borne by the Council of Europe". Before the European Union joins up, therefore, which I personally want, it is difficult, if not impossible, from a legal point of view for the European Union to finance the Court, but we greatly esteem and respect the work that it does.

The point about cultural heritage is very important. We know the relevance of the work of the Council of Europe, and we work together with you. Our goal is to increase respect in Europe for the cultural values that we share. The pragmatic way to avoid duplication between experts on both sides is to maximise the possibilities for joint work while avoiding unnecessary duplication.

The final question, and the most relevant even if it was the briefest, was about how we can stop pan-European populism. It is not just a matter for the European Commission or for leaders at European level, whether in Brussels or in Strasbourg. I have said that in many parliaments. I have just come from

Bratislava, and I have said it in many parliaments across the European Union. It is a matter for all leaders at all levels. We must fight that kind of populism and the exploitation of people's negative sentiments and the over-simplification of issues and causes. We must explain to our citizens that the world is now complex and that we face serious challenges. Only if we make rational responses based on our core principles and values of freedom, democracy and the rule of law can we win. We must not give in to populism, whether of the right or of the left. It is a threat to our European Union, to our European values and to the Council of Europe. It is a threat to all those who believe in the progressive values of freedom, democracy and the rule of law.

THE PRESIDENT. – Thank you. I call Mr Pangalos.

Mr PANGALOS (*Greece*).– I return to the Palestinian question. For years, we have put pressure on the Palestinian people and their organisations to hold free elections. They have held free elections – that is what everybody says, and the result is there to prove it, although the government has not been elected – but we now say that we do not like the result, so we will not give finances to Palestinian society. Is it our new doctrine that we want free elections provided that the results fit our criteria and return people whom we like?

THE PRESIDENT. – Thank you. I call Mr Branger.

Mr BRANGER (*France*) said that all the research showed that the area of greatest concern for European Union citizens was the enhancement of security and defence in Europe. He asked in what ways Mr Barroso might respond to these hopes.

THE PRESIDENT. – Thank you. I call Mr Gross.

Mr GROSS (*Switzerland*). – If you do not want Europe discredited by populism, you have to give Europe a legitimate base. You should not leave the constitution to a PR campaign – dialogue D. How do you want to go about re-establishing the constitution? The people must see that that 100-page document gives them power on a transnational level. Do not establish a constitution without the people.

THE PRESIDENT. – Thank you. I call Mr Badré.

Mr BADRÉ (*France*) said that the European Union had broken down. The debate on the Constitutional Treaty had been diminished by the intervention of national interests. He asked whether common ground between member states could be located.

THE PRESIDENT. – Thank you. I call Mr Mota Amaral.

Mr MOTA AMARAL (*Portugal*) said that it was a pleasure to hear Mr Barroso speak. Was it Mr Barroso's view that the European Union was functioning well?

THE PRESIDENT. – Thank you. I call Mr Barroso to reply.

Mr BARROSO said that soon the positive trends in the European Union would be confirmed.

(The speaker continued in English)

Allow me to recognise Mr Pangalos, a very good colleague. I remember when we were foreign ministers of our respective countries – a long time ago, even if you look younger.

Let me be very clear about Palestine. We fully respect the results of democracy there, but the decision taken yesterday by the foreign ministers of the European Union, with the support of the European Commission, relates to the kind of aid that we can give and to whom we can give it. We want to go ahead and give aid to the Palestinian people, but it is difficult, if not impossible, to give that aid through an institution that has not yet stated its unequivocal commitment to the peace process. The money that European Union taxpayers are giving is for peace, not for terrorism, and we have to be clear about that. We fully respect the views of the Palestinian people, and we welcomed the fact that there were free and fair elections, which are not so evident in that area, but we cannot use taxpayers' money for a process while it is not clear whether it is a process of war or peace. We want to support peace, not confrontation, in that region.

(The speaker continued in French)

On the issue of the Constitutional Treaty, in its new version, it would remain faithful to its original values and principles. None the less, a solution had to be found. The heads of state had given themselves a period of reflection. It would not be wise to deal with the Constitutional Treaty until a consensus had been built. The positions of member states needed to be made known, but perhaps more time was needed as well. Those responsible for the Constitutional Treaty would now take a closer look at the relationship between the European Union, its institutions and its citizens. The new process would not simply replace the existing text, but would work to find a real way of bringing European institutions and citizens closer together.

In the more general terms of the draft, he felt that the negative and cynical attitude held by some was very harmful. The European Union had its difficulties, but there was no need to be pessimistic. Forty years previously many countries in Europe were in the control of dictators and empires. His own country had been a dictatorship forty years previously. Soon the new 27 member states of the European Union would be living with freedom, democracy and the rule of law, so pessimism was unfounded. For the first time Europe was united. The common interest of Europe was to stand up against globalisation and to find a way to maintain European values in the modern world. The challenges of Europe were growing. All European leaders had to explain to their people that democracy must be defended with conviction every day.

THE PRESIDENT (Translation). – Thank you. I call Mr Zingeris.

Mr ZINGERIS (*Lithuania*) referred to the European Neighbourhood Policy. There were basically two policies, one for the south, and one for the east. The latter included the Ukraine, possibly the Caucasus and others. It was necessary to balance these two directions in deciding upon the 2007-2013 financial perspectives. The Ukrainian elections had been free and fair and this should be reflected in the budget.

THE PRESIDENT. – Thank you. I call Mr Severin.

Mr SEVERIN (*Romania*). – Could you elaborate on the modalities that we should include in the Memorandum of Understanding between our organisations to better enhance the European Neighbourhood Policy, as well as the stabilisation and association agreements? More specifically, could you tell us what are the financial perspectives of the European Commission that could support joint programmes in this regard?

THE PRESIDENT. – Thank you. The next question is from Mr Sasi.

Mr SASI (*Finland*). – European Union citizens have benefited from globalisation, and we have a very high standard of living. However, irresponsible populist forces have expressed a fear of globalisation, and that has resulted in increasing nationalism. There is a fear of free movement of labour, of better supply of foreign services, and of foreign takeovers of companies in the European Union. What will you do to ensure that all member states, or at least their governments, defend European values, the freedom of Europeans, and freedom of movement?

THE PRESIDENT. – Thank you. The next speaker is Mr Vera Jardim.

Mr VERA JARDIM (*Portugal*) congratulated Mr Barroso on his speech and noted that he was a former Prime Minister of Portugal. The Assembly had been discussing complementarity and dialogue between the Council of Europe and the European Union. He had heard some good news on the subject, particularly with regard to the European Union's framework for communication. He wished to ask what Mr Barroso, as President of the Commission, intended to do to enhance the joint activities of the two bodies.

THE PRESIDENT. – Thank you. I call Mr Zernovski .

Mr ZERNOVSKI ("*The former Yugoslav Republic of Macedonia*"). – After gaining candidate status, the Republic of Macedonia was the first country in the region to start negotiations on the visa regime. Unfortunately, instead of the liberalisation that was promised at the Thessaloniki summit in 2003, our citizens now face even higher barriers in the form of an enormous rise in the price of visas. What will be the next steps taken by the European Commission?

THE PRESIDENT. – Mr President, you have the floor.

Mr BARROSO thanked Mr Vera Jardim for his kind words. He would answer the general question later, but wished to begin by saying that Mr Juncker's report had made an excellent contribution to the debate.

(The speaker continued in English)

I have been asked about the policy on neighbouring countries. We want to offer a new membership perspective to other countries. We need unanimity between member states. What we can do is use the framework of the European Neighbourhood Policy as far as possible to work as closely as possible with Ukraine. We need a closer relationship with Ukraine, because we are very committed to the support of Ukraine and the Ukrainian people.

As for globalisation, let us be honest about it. It presents a great opportunity, but it also presents challenges and poses risks. What we must do at European level, and what the Commission is doing, is to explain why we need the European dimension more than ever now. That is why the member states accepted the need for a common strategy for energy. I was very pleased with the good reception given to the Commission's Green Paper.

Let us be frank: two years ago, that would have been impossible. Two years ago, in some countries people were asking "What is the European Commission doing? That is not your business!" Today, people understand that in the face of these global challenges, it makes no sense to have 25 mini-markets for energy, just as it makes no sense to have 25 mini-markets for services. If we want to be a Europe that is a global player – if we want to be *l'Europe puissante* – we need the internal market. The internal market of Europe is based on the four freedoms that were created by our founding fathers: freedom of circulation for people, goods, capital and services. That is why the European Commission produced a report on the implementation of the freedom of circulation for workers in the new enlarged Europe.

We are very pleased that, following our report, four countries – Finland, Spain, Portugal and the Netherlands – have already announced their intention of following Britain, Sweden and Ireland, and ending the transition period so that there can be real freedom of circulation for workers in our Union. Let me be clear about this: the Commission is committed to implementing all the principles of the internal market. We need a market, but we are not just a market. We are more than a market. To sustain a market, we also need mechanisms of political coherence – internally and externally – and of social solidarity. That is why it is so important to help the less developed regions.

This is the fundamental principle of the European Union. In our Union there are those who are more in favour of a common market, and those who are more in favour of political union. We need both. We cannot have a true European Union, political and a global power, without a common market. We should accept all the benefits of the internal market. We cannot have narrow nationalism, or narrow chauvinism, if we are to have a real, functioning common market with some principles of subsidiarity, along with political common purpose. That is the struggle: that is the intellectual, cultural and political battle in which we are now engaged, resisting the narrow view that sometimes presents itself. That is the type of populism that has been referred to before. I believe that all political forces, on the left and on the right, that are committed to European values should work towards that important goal.

On the question about concrete ways of producing the Memorandum of Understanding, we are now in negotiations. As I said, and as I shall repeat with great pleasure, the report produced by Jean-Claude Juncker – I say Jean-Claude Juncker because it is *ad personam* – has provided us with a very good basis. I read it very recently, in Bratislava, and I think it contains great ideas. Let us work in good spirit and try to find a way forward among the experts on both sides.

If we accept the basic principles – we share the same values, we want to build on complementarity, we should concentrate on the core business and we should try to establish the domains of added value – I believe that we will reach a good agreement between our two institutions. There is no reason not to.

The financial possibilities exist, because now – I hope – we have finally agreed the financial prospects for 2007-13. As you know, there was an agreement between the negotiating teams, thanks to the good work of the Austrian presidency, the Parliament and the Commission. So, there will be enough money, I think. I would prefer more, but there is a good increase in terms of external relations for the European Union. With those instruments, there is the possibility to increase funds and to develop better co-ordinated action between the European Union and the Council of Europe.

THE PRESIDENT. – Thank you. I ask members to be brief. I call Mr Van den Brande of the Group of the European People's Party.

Mr VAN DEN BRANDE (*Belgium*). – The aims of Europe involve fundamental values, being an economic player and being a zone of liberty. The Commission, by excellence, is the initiator of initiatives. Will you, Mr President, table a Commission position paper in view of the next European summit to implement the Juncker report and cohabitation and co-operation between the Council of Europe and the European Union? You have the right and the duty to do so.

THE PRESIDENT. – Thank you. The next speaker is Mr Strässer of the Socialist Group.

Mr STRÄSSER (*Germany*) asked, in light of the growing synergy which Mr Barroso had described between the two organisations, whether it would make more sense to strengthen the existing standards on human rights rather than creating parallel standards.

THE PRESIDENT. – Thank you. I call Mr Preda of the Group of the European People's Party.

Mr PREDÁ (*Romania*). – We all know that one top priority on the European agenda is the relaunch of the Lisbon strategy for economic, social and environmental renewal. In that respect, do you see any complementary role for the Council of Europe in promoting the Lisbon objectives in the Council of Europe member states that are also European Union member states?

THE PRESIDENT. – Thank you. The next speaker is Mr Fomenko of the Group of the Unified European Left. He is not here. The last speaker is Mr Mercan of the Group of the European People's Party.

Mr MERCAN (*Turkey*). – The decrees with regard to support for Turkey's European Union membership are being observed among Turkish people. The European Union is failing to keep its commitments on lifting the isolation of Turkish Cypriots and integrating them within the economic, social, cultural and political life of the European Union. Will the European Union keep its commitments over Turkish Cypriots?

THE PRESIDENT. – Thank you. Mr President, you have the floor.

Mr BARROSO. – Perhaps I might start with that last question. The Commission will keep all its commitments to the Turkish Cypriots and to the Republic of Cyprus. We believe it is important to keep all the commitments and we ask all parties to take a constructive approach so that we can solve this very old dispute. We also ask all the relevant parties to give constructive help to the process.

On the human rights agency, let us be frank: we are going ahead with it – that was the decision of the European Union – but I have already given all the guarantees that I believe are important for the Council of Europe. We will concentrate the agency's work on the implementation of Community law. That is very much our business and we have to do it.

We are ready to incorporate a representative of the Council of Europe, with voting rights, into the administrative board of that agency, if the Council of Europe wishes to do that, of course. We will, as soon as possible, have an agreement on the practicalities – the ways in which we can achieve good co-operation between the agency and the good and experienced instruments and capacities of the Council of Europe.

I believe that it is good for Europe to have better enforcement of competences without overlapping and, with good co-ordination, this can be a success.

In terms of the right of initiative, the European Commission, if necessary, will take initiatives on that matter. What we are speaking about now is a kind of memorandum of understanding – a political agreement, a practical agreement – between the European Union and the Council of Europe.

I have said – I really believe this, because I have read it – that the report by Jean-Claude Juncker provides us with a good basis. So now, we have that input and we can try to include it in the Memorandum of Understanding if we reach agreement between our different institutions. It is in that direction that we are working between the two organisations.

On the Council of Europe and the Lisbon agenda, the work of the Council of Europe is not typical, but there are also some areas where the concerns of our two organisations meet precisely. One point, which is very important in the Lisbon agenda, relates to the knowledge-based economy and the emphasis that is now being placed on education, research and innovation – for instance, our proposal for a European institute of technology.

I believe that all the expertise and all the commitment of the Council of Europe in matters related to education and culture are very much convergent with our priorities. We now have established in the European Union the new system of governance of Lisbon – the new Lisbon strategy for growth and jobs, with 25 national reform programmes. We do not want any overlap with the good work of the Council of Europe, but once again, objectives sometimes converge and we can work in terms of complementarity.

Everything we can do together in Europe, be it done by the Council of Europe or by the European Union, to improve our cultural and educational levels is of paramount importance to the overall goals of the new Lisbon strategy. Thank you very much, Mr President and ladies and gentlemen.

THE PRESIDENT. – Thank you, Mr President, for coming here and for giving this convincing statement. We need European leaders who have conviction, because without personal conviction people can never be convinced. We also need people with a strong commitment to Europe as a whole. You showed your commitment to the European Union, but also to co-operation between the European Union and the Council of Europe.

8. Election of a judge to the European Court of Human Rights

THE PRESIDENT. – It is now 1 p.m. Does any member still wish to vote in the election of one judge to the European Court of Human Rights in respect of Liechtenstein?

The ballot for electing one judge to the European Court of Human Rights in respect of Liechtenstein is now closed.

The counting of votes will take place under the supervision of the tellers, Mr Badré and Mr Rodrigues. I invite them to go at once to room 1087.

The result of the election will be announced at the start of this afternoon's sitting.

9. Date, time and orders of the day of the next sitting

THE PRESIDENT. – I propose that the Assembly hold its next public sitting at 3 p.m. with the orders of the day which were approved yesterday.

Are there any objections? That is not the case.

The orders of the day of the next sitting are therefore agreed.

The sitting is closed.

(The sitting was closed at 1 p.m.)

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Speakers:

Mr Juncker (Prime Minister of Luxembourg)
Mr de Puig (Spain)
Mr Van den Brande (Belgium)
Mr Eörsi (Hungary)
Mr Margelov (Russian Federation)
Mr Einarsson (Sweden)
Mr Davis (Secretary General of the Council of Europe)
Mr Popescu-Tăriceanu (Prime Minister of Romania)
Mr Schüssel (Federal Chancellor of Austria)
Mr Pangalos (Greece)
Mr Nachbar (France)
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