Mr. Ruud LUBBERS (Prime Minister of the Netherlands):

Mr. Chairman, together we are facing the challenge of shaping a

democratic, peaceful and united Europe. When I say "we", I mean not only

the countries represented here which are situated in the continent of

Europe, but also the United States and Canada. North America and Europe

form part of the same civilisation. Not only are they linked by

historical and economic ties, they also share a common vision of

democracy, constitutional government and liberty.

The new trust and co-operation which have marked relations in Europe in recent years have already led to two highly positive achievements: the unification of Germany and the CFE Treaty. As neighbours, partners and allies of the New Germany, we in the Netherlands have confidence in close co-operation with a united, democratic Germany in the framework of both the European Community and the Atlantic Alliance.

The CFE Treaty is of historic significance. The fact that the two alliances have succeeded in agreeing on reducing conventional weapons to considerably lower and equal levels on both sides is evidence of the realism, goodwill and mutual trust of 22 countries. To achieve greater security and stability and, in more general terms, to achieve greater openness and trust, arms control negotiations should continue even after Helsinki without interruption, albeit in a wider forum.

The momentum of the arms control process should be maintained. We must not rest on our laurels. The Netherlands, in accordance with its status as the depository State for the CFE Treaty, fully intends to play an active role in the CFE follow-up talks.

Equally gratifying is the fact that today we are in a position to ratify a substantial package of new Confidence— and Security—Building Measures. After all, these measures constitute the results of the only forum in which the 34 CSCE participating States meet on a structural basis to discuss European security matters. The Netherlands hopes and trusts that the period leading up to the next CSCE Follow—Up Meeting in Helsinki in 1992 will see both the further elaboration of the measures before us today and agreement on the proposals which are still being considered in Vienna.

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At the same time a new agenda lies before us, containing items relating to co-operation on a broad front.

The last few years have witnessed immense progress in the fields of democracy, the rule of law, human rights and fundamental freedoms. The challenge now facing us is how to consolidate the progress achieved. I refer to the proposal on this subject submitted by the Netherlands, in particular those concerned with strengthening the mechanism of the human dimension which is designed to enforce observance of human rights.

From human rights it is, Mr. Chairman, of course, but a short step to the Council of Europe, the guardian <u>par excellence</u> of European norms and values. We are very gratified to see the recent accession of Hungary as the 24th Member State, and hope to see the membership of the Council expand still further in the very near future.

The peaceful settlement of disputes was also discussed in Vienna, and we hope that the expert meeting in Valletta, which will be entirely devoted to this issue, will be able to reach agreement on a mechanism for the peaceful settlement of disputes with mandatory third party involvement. The Netherlands is still of the opinion that the CSCE should make use of existing organizations wherever possible, to avoid duplication of effort. In this connection, Mr. Chairman, may I draw your attention once again to the valuable role which the Permanent Court of Arbitration and the International Court of Justice in The Hague could - and, in our view, should - play here.

The key to all the CSCE's activities is co-operation, and this extends to the economic as well as to the political arena. Economic freedom, social justice and an awareness of responsibility for the environment are vital to prosperity and well-being. Co-operation in the protection of our environment is therefore one of the main items on the agenda of the 1990s. After all, environmental pollution is no respecter of national boundaries. Our continent, Mr. Chairman, is so beautiful that we must not allow it to be despoiled.

The new democracies of Central and Eastern Europe are facing the difficult task of moving from a command economy to a market one. It is in everyone's interest for this transition to succeed. Already, support is being provided on a wide scale through international organizations and by means of direct transfers. An extensive programme has been set up, based on the G-24 plan of action, which is being implemented through both bilateral and multilateral channels and a vital role has been assigned to the European Community as the co-ordinator of G-24 activities.

The Netherlands is showing its concern for Central and Eastern Europe in a number of ways. I refer here to the emergency aid we provide for countries in that region, the know-how fund we have established to facilitate the transfer of expertise in fields where the Netherlands is traditionally strong, such as agriculture, civil engineering and the environment, and the programmes relating to development co-operation.

Now, I should like to return to a plan I put forward at the Dublin Meeting of the European Council in June, namely the development of a European energy community as the basis for closer co-operation between Western and Eastern Europe. Why should a co-operative scheme focus on energy in particular? The idea behind my proposal is political, because I believe that energy lends itself to the operation of market forces, and the market will be an important element in future pan-European co-operation. The market I refer to here is the "invisible hand" of which Adam Smith wrote. But at the same time, energy is an area where action and direction by governments are likewise called for. That could be defined as the "visible hand". The very process of working out how to combine the visible and the invisible hands and what action we should take is of great importance. As Mr. Gorbachev rightly said, we need new structures or at least arrangements by which the Europe of energy will be shaped.

The aim is co-operation in the field of energy between the countries of the European Community, EFTA and Eastern Europe. I would, of course, welcome the prospect of extending such co-operation beyond the frontiers of Europe, in line with the CSCE framework, to other continents and groups of countries - producers and consumers, rich and poor.

To flesh out the bare bones of this proposal as far as Europe is concerned, I would suggest a framework convention, a European Energy Charter, setting out the general principles which could apply to the different energy carriers. Such a convention should, of course, concentrate on the main issues, affording enterprises — whether public, private or a mixture of the two — sufficient guarantees to allow them to get down to business in Central and Eastern Europe. Combining, as I said, Mr. Chairman, the visible hand in the form of such a charter, with the invisible hand of market forces, and by that I mean enterprises geared to productive and rational activity, we can fulfil the objectives of the Europe of energy. Those objectives are to safeguard energy supplies in the short and the long term, and the environment. In both areas, the comprehensive application of sound technologies and energy—saving techniques will be of major significance.

In view of the urgency of the problem, I believe it would be appropriate, parallel to the formulation of the Charter, to make a start on a number of specific co-operative projects - for example aimed at energy conservation - in the near future. I also think it would be wise to make good use of existing instruments and such organizations as the International Energy Agency.

The assistance of industry is essential to the success of the plan. As I said a moment ago, the necessary preconditions for such assistance must be created as soon as possible. The key point is to combine public and private initiative.

The Netherlands stands ready, Mr. Chairman, to elaborate these proposals further, and supports Mr. Delors' suggestion of a conference at which a Charter would be drawn up.

## Mr. Chairman, another topic:

Among the consequences of the recent remarkable improvement in relations within Europe is a more mobile population, something which accords with the Helsinki Final Act and its original objective of free

movement of ideas, individuals and information. However, it has to be said that the passage of time serves only to increase the flow of migrants to the more prosperous regions of Europe. This is a matter which requires attention from us all. A brain drain of young, talented individuals who could play a vital role in the reconstruction of Central and Eastern Europe would be as disastrous as the sad fate which all too often awaits illegal immigrants seeking work in Western Europe. We need a comprehensive programme, comprising aid to help the countries of Central and Eastern Europe to avoid economic emergencies and to foster prosperity and employment in every region of Europe, coupled with measures to regulate migration and provide information on the rules governing immigration to Western Europe.

Mr. Chairman, as international co-operation grows ever more intensive in the years to come, it must find expression in international organization. We should seek appropriate ways of combining the old organization and the new ones.

However, there is more to international co-operation than consultation between governments, whether or not it takes place through international organizations. In the new Europe, where national frontiers will become more and more blurred, international co-operation should involve bodies such as companies, universities and cultural institutions and cities and regions. Commercial joint ventures as well as town-twinning schemes are important possibilities. After an unnatural partition lasting more than forty years, our very societies should draw closer together so that Europe's wounds can be healed.

At this Meeting, Mr. Chairman, we shall also be taking decisions on a number of new CSCE institutions. With the disappearance of long-standing political and military divisions, the new Europe will require a new kind of political consultation between countries. Regular conferences have an important role to play. In particular, consultation between Foreign Ministers and their representatives will be essential, at both regular meetings and special sessions which could be convoked on the initiative of one of the participating States in consultation with the others.

No less significant is the decision to set up a Conflict Prevention Centre. The Netherlands has been in favour of such an agency from the cutset, and hopes that the the follow-up CSBM regotiations will be able to extend its sphere of activity.

The office of Free Elections in Warsaw will be able to make a constructive contribution to further democratisation in Europe, and thus to unity and co-operation in the Old World.

In this connection, the creation of a CSCE Assembly, comprising parliamentarians from all the participating States, is important. Experience gained at the Assembly of the Council of Europe could undoubtedly be put to good use in determining the procedures and working methods to be adopted by such an Assembly.

In addition to acquiring a new institutional framework in this way, the CSCE process will retain its function of setting standards. It will always be necessary to emphasize the importance of the actual implementation of codes of conduct on which agreement has been reached. The Follow-Up Meetings and the meetings concerning the various themes will continue to be of relevance in this connection. We are therefore looking forward eagerly to the meetings on the agenda for 1991. In particular the Meeting in Valletta on the peaceful settlement of disputes and the one in Moscow on the human dimension. Both are issues to which the Netherlands accords high priority.

Mr. Chairman, much has been achieved but there is still a great deal to be done. There is no cause for complacency. With the aid of the flexible instruments which this Summit will introduce, the community of European and North American States has acquired the resources with which to face the common challenges confronting us. At the next Summit Conference in Helsinki in 1992 we shall be able to take stock of what has been achieved. No doubt we shall find, there also, that we have a lot of work to do.

In conclusion, Mr. Chairman, it gives me great pleasure to echo my predecessors on this platform in expressing cur gratitude and appreciation to the governments of France and Austria, whose hospitality and efficient organization made possible both this Summit Conference and the Meeting of the Preparatory Committee. Thank you.