Parliamentary Assembly
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Resolution 925 (1989)[1]

Southern expansion of "Economic Europe" and the integration of Cyprus, Malta, Turkey and Yugoslavia into the European economic space

Parliamentary Assembly

The Assembly,

1. Recalling its Recommendation 905 (1980), on the role of the Council of Europe in the intensification of co-operation between the countries of Northern and Southern Europe ;

2. Recognising the major changes that have taken place since the adoption of that text, due notably to the enlargement of the European Community to Greece, Portugal and Spain, and the intensification of co-operation between the European Community and the European Free Trade Association ;

3. Concerned, however, that the above developments, although in themselves highly welcome, have left the economies of three Council of Europe member states - Cyprus, Malta and Turkey - at a continued disadvantage as regards trade opportunities and economic assistance, even though these countries have of late made important progress - a position exacerbated by their peripheral location and other factors, such as inadequate transport links, less developed industry, unemployment and emigration ;

4. Fearing that the situation could deteriorate even further if the completion of the internal market of the European Community in 1993 were to lead to a protectionist Community, instead of a free-trading ‘‘European economic space" including the whole Council of Europe area and beyond ;

5. Believing that the above also holds true for Yugoslavia, especially at a time when that country is struggling to reform its economic system ;

6. Convinced that no part of Europe can prosper in the long term in the face of backwardness in others, and believing that harmonious development requires both assistance from richer countries and determined adjustment efforts by less developed countries ;

7. Considering that the above holds particularly true for the strategically important Mediterranean basin and the four countries concerned ;

8. Noting with satisfaction the intention of the Resettlement Fund of the Council of Europe, which since 1982 alone has granted considerable loans to the four countries concerned, to maintain a flow of loans to the most exposed southern countries, namely Greece, Cyprus, Malta and Turkey, while also bearing in mind the particular problems of the domestic situation in Yugoslavia,

9. Encourages the four countries concerned to press forward in reforming their economies, so as to meet increasingly the challenges of international markets, as otherwise assistance efforts may be in vain and eventually abandoned ;

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1. Assembly debate on 23 September 1989 (13th Sitting) (see Doc. 6096, report of the Committee on Economic Affairs and Development, Rapporteur : Mr Pinto). Text adopted by the Assembly on 23 September 1989 (13th Sitting).

10. Calls on the governments of Council of Europe member states and on the European Community :

10.1. to grant as favourable trade conditions as possible to Cyprus, Malta, Turkey and Yugoslavia - even in areas where they may compete with domestic producers such as in the field of agriculture - with the aim of including them fully in the proposed ‘‘European economic space" that remains the objective of European economic integration, and to offer them increased assistance in modernising and reforming their economies ;

10.2. to pay particular attention in coming years to the development needs of Cyprus, Malta and Turkey, which has requested to join the European Community after having enjoyed special relations with it since 1963, and to monitor closely the economic reform under way in Yugoslavia, with a view to increasing loans also to that country.