



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2002)1578 final

Strasbourg, 3 September 2002

MINUTES
of the 1578th meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 28 August 2002
(morning)

These minutes were approved by the Commission at its 1579th meeting, held in Strasbourg on 3rd September 2002.

They contain 18 pages.

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Single sitting: Wednesday 28 August (morning)

The sitting opened at 0930 hours with Mr Prodi, President, in the chair.

Present:

Mr PRODI	President
Mr KINNOCK	Vice-President
Ms de PALACIO	Vice-President
Mr MONTI	
Mr FISCHLER	
Mr LIIKANEN	
Mr BUSQUIN	
Mr SOLBES	
Mr VERHEUGEN	
Mr PATTEN	
Mr LAMY	
Mr BYRNE	
Mr BARNIER	
Ms REDING	
Ms SCHREYER	
Mr VITORINO	
Ms DIAMANTOPOULOU	

Absent:

Mr BOLKESTEIN
Mr NIELSON
Ms WALLSTRÖM

The following sat in to represent absent Members of the Commission

Mr NØRLUND	Chef de cabinet to Mr Bolkestein	
Mr BECHET	Deputy Chef de cabinet to Mr Nielson	
Mr ANNERBERG	Chef de cabinet to Ms Wallström	Items 1 to 7
Ms CARPARELLI	Deputy Chef de cabinet to Ms Wallström	Items 8 to 10

The following also sat in

Ms DURAND	Principal Legal Adviser, Legal Service	
Mr CURRALL	Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr FAULL	Commission Spokesman	
Mr KEMPPINEN	Spokesman	Item 8
Mr MAMER	Spokesman	Item 8
Mr DE RYNCK	Spokesman	Item 8
Ms CORUGEDO STENEBOERG	Press and Communication DG	Item 8
Mr ABOU	Chief Adviser in the President's Office	
Ms GROEBNER	Adviser in the President's Office	Item 6
Mr SMULDERS	A member of the President's staff	Item 8
Mr GOZI	A member of the President's staff	Item 8
Mr LUCHNER	Deputy Chef de cabinet to Mr Kinnock	Item 5
Mr CALLEJA	Chef de cabinet to Ms de Palacio	Items 1 to 6
Mr SCHWAIGER	A member of Ms de Palacio's staff	Items 7 to 10
Mr DREWES	A member of Mr Fischler's staff	Item 6
Mr POWER	Chef de cabinet to Mr Byrne	Items 8 to 10
Mr MARTEAU	A member of Mr Barnier's staff	Items 6 to 8
Mr GUTH	Chef de cabinet to Ms Schreyer	Item 6
Mr GLYNOS	Chef de cabinet to Ms Diamantopoulou	Items 8 to 10
Mr LANDABURU	Director-General, Enlargement	Items 6 and 8
Mr PONZANO	Secretariat-General	Item 8
Mr AYET PUIGARNAU	Secretariat-General	Item 6

Mr HANDLEY	Secretariat-General	Item 8
Mr FETELIAN	Secretariat-General	Items 6 and 7
Mr O RUAIRC	Secretariat-General	Item 6
Ms SINDELAR	Secretariat-General	Item 6
Mr LEVI	GOPA	Item 8

Secretary: Mr O'SULLIVAN, Secretary-General, assisted by Mr BISARRE, Director in the Secretariat-General.

1. AGENDAS

(OJ(2002)1578/3; SEC(2002)862/2)

The Commission took note of the agenda for that day's meeting and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2002)1578)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 26 August.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1577th MEETING

(24 July)

(PV(2002)1577 and /2; PV(2002)1577, Part II and /2)

In line with the arrangements agreed at the meeting in question, the Commission took note of the approval on 1 August of the minutes and special minutes of its 1577th meeting.

4. WRITTEN PROCEDURES AND EMPOWERMENT

4.1. WRITTEN PROCEDURES APPROVED

(SEC(2002)863 to /24)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted by written procedure between 22 July and 23 August.

4.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2002)864)

The Commission took note of the following written procedure initiated between 22 July and 23 August for the adoption of decisions with political implications:

**Time limit: 09/08/2002 (adopted, notified at the request of the
PRESIDENT)**

E/2002/1522 - SEC(2002)886 DG RTD

Recommendation for a Council Decision authorising the Commission to negotiate the renewal of the agreement for scientific and technical cooperation between the European Community and the State of Israel.

4.3. EMPOWERMENT

(SEC(2002)865 to /24)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 22 July and 23 August.

4.4. *DELEGATION AND SUBDELEGATION OF POWERS*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 22 July and 23 August, as archived on the "Grefte 2000" (Registry) website.

4.5. *UPDATING AND EXTENSION OF EMPOWERMENT IN THE FIELD OF AGRICULTURAL PRODUCTS EXPORTED IN THE FORM OF GOODS NOT COVERED BY ANNEX I TO THE TREATY*

The Commission approved the updating and extension of this empowerment as set out in section IV of SEC(2002)909.

5. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2002)866/2)

ADMINISTRATIVE MATTERS (PERS(2002)112/3)

5.1. *APPLICATION OF ARTICLE 50 OF THE STAFF REGULATIONS (SECOND STAGE) WITH RESPECT TO AN A1 OFFICIAL*

The Commission continued its discussions on this matter, begun on 24 July (PV(2002)1577).

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr FISCHLER, adopted the decision in PERS(2002)117 to apply the second stage of the procedure laid down in Article 50 of the Staff Regulations with respect to Mr Steffen SMIDT, an A1 official, Director-General for Fisheries.

This decision would take effect on 1 September.

**5.2. *DG TRADE - CREATION OF A POST OF CHIEF ADVISER AND
TRANSFER OF AN A2 OFFICIAL TO THE POST***

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr LAMY, the Commission decided to create a post of Chief Adviser, attached to the Director-General for Trade, and in the interest of the service to transfer to it Mr Pierre DEFRAIGNE, an A2 official, currently Chef de cabinet to Mr LAMY.

This decision would take effect on 1 September.

The Commission also decided that Mr DEFRAIGNE would act as Deputy Director-General in the Trade DG from 1 October.

**5.3. *DG COMP - CREATION OF A POST OF CHIEF ADVISER AND
TRANSFER OF AN A2 OFFICIAL TO THE POST***

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr MONTI, the Commission decided to create a post of Chief Adviser, attached to the Director-General for Competition, and in the interest of the service to transfer to it Mr Claude CHÊNE, an A2 official, currently Chief Adviser in the Personnel and Administration DG.

This decision would take effect on 1 September.

The Commission also decided that Mr CHÊNE would act as Deputy Director-General in the Competition DG from 1 September.

5.4. APPOINTMENTS

DG TRADE.E - A2 post of Director

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director of Directorate E (Sectoral questions and market access; Bilateral trade relations III) in the Trade DG (PERS(2002)85).

The Commission took note of the opinions of the Consultative Committee on Appointments of 11 and 18 July (PERS(2002)85/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also examined the reports on their ability, efficiency and conduct in the service. On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr LAMY, it then decided to appoint Mr Ian WILKINSON to the post.

This decision would take effect on 1 September.

OTHER MATTERS

5.5. COMMISSION DECISION SUSPENDING AN OFFICIAL UNDER ARTICLE 88 OF THE STAFF REGULATIONS (C(2002)3297 and /2)

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Ms SCHREYER, the Commission adopted a decision on the suspension of an A2 official in accordance with Article 88 of the Staff Regulations, as set out in C(2002)3297/2.

6. WEATHER DISASTERS IN EUROPE

6.1. COMMUNITY RESPONSE TO FLOODING IN AUSTRIA, GERMANY AND SEVERAL APPLICANT COUNTRIES (SEC(2002)907 and /2; COM(2002)481 and /2)

The PRESIDENT reminded the meeting that an initial technical information note had been distributed to Members for the weekly meeting of Chefs de cabinet, and on this basis a communication, more political in nature, was now tabled for approval for immediate transmission to Parliament (for its plenary session in Strasbourg from 2 to 5 September) and the Council (for a special meeting of Coreper on 29 August and the informal meeting of Foreign Ministers in Helsingør on 30 and 31 August).

He briefly summarised the initiatives the Commission had already taken and those under way to deal speedily and effectively with the unprecedented scale of the damage in two Member States (Germany and Austria) and two applicant countries (Czech Republic and Slovakia).

He proposed that the Commission focus its discussions on the establishment of a disaster relief fund.

The Commission held an in-depth discussion on all the budgetary and political aspects of this initiative, in particular:

- the choice of a Community budgetary solution through the creation of a flexibility instrument;
- the amount to be fixed at the outset for this instrument, as well as the legal basis to be proposed for its implementation;
- the conditions for eligibility for this fund and the criteria for initiating the granting of assistance.

Following this discussion the Commission adopted a number of amendments relating to these points, the Structural Funds and the application of the rules on state aid and public procurement.

The Commission then:

- adopted the communication in COM(2002)481 subject to the above amendments (set out in COM(2002)481/2) for transmission to Parliament and the Council;
- decided to explore with the budgetary authority without delay the option chosen in the communication on the creation of a disaster relief fund;
- tasked Ms SCHREYER, in agreement with Mr BARNIER and Mr VERHEUGEN, with preparing appropriate budgetary proposals concerning the revision of the Interinstitutional Agreement and the creation of a budget line in the EU general budget (Commission section) for 2002;
- tasked Mr BARNIER, in agreement with Ms SCHREYER, Mr VERHEUGEN and Ms WALLSTRÖM, with preparing the proposal for the legal basis necessary for the implementation of the fund;
- agreed to adopt the above proposals for transmission to Parliament and the Council before the end of September.

**6.2. DRAFT COMMISSION REGULATION DEROGATING FROM
COUNCIL REGULATION (EC) No 1251/1999 ESTABLISHING A
SUPPORT SYSTEM FOR PRODUCERS OF CERTAIN ARABLE CROPS,
AS REGARDS THE AREA PAYMENTS FOR CERTAIN ARABLE
CROPS AND THE PAYMENTS FOR SET-ASIDE FOR THE 2002/03
MARKETING YEAR TO PRODUCERS IN CERTAIN REGIONS OF
GERMANY
(C(2002)3195)**

Mr FISCHLER outlined the thrust of the draft Commission regulation to authorise Germany to pay over advances before 16 November (the normal payment date) on area payments for arable crops, including the additional payment for durum wheat, and on set-aside payments, for the marketing year 2002/03.

The Commission adopted the draft Commission regulation derogating from Regulation (EC) No 1251/1999 in C(2002)3195.

**6.3. REQUEST FOR EMPOWERMENT IN THE FIELD OF AGRICULTURE
(SEC(2002)906)**

The Commission decided to grant empowerment in the cases set out in SEC(2002)906.

**7. FOLLOW-UP TO THE ANNUAL POLICY STRATEGY FOR 2003
(COM(2002)427 to /6)**

The PRESIDENT reminded the meeting of the timescale for the various stages of the strategic planning and programming cycle, as agreed with Parliament and the Council.

For the first time in 2002, in preparation for the policy strategy for 2003, this cycle had included a structured dialogue phase with Parliament and the Council (between March and June 2002), and the stocktaking document before the Commission therefore set out the possible amendments to be made to the annual policy strategy, in the light of this dialogue and other important changes arising from the decisions adopted by the Commission since February.

In this connection the PRESIDENT drew attention to the crucial importance of obtaining in the 2003 budget the additional human resources requested (500 posts) so that the Commission would be in a position to ensure the correct application of the Community *acquis* from the first day of accession of the new Member States.

Ms de PALACIO announced her intention of presenting a report on this process of drawing up the annual policy strategy for 2003 to Parliament's Conference of Committee Chairmen on 17 September, highlighting in particular the need for additional human resources in order to prepare for enlargement.

The Commission held a discussion, after which it adopted a number of amendments, particularly as regards the implications of any failure to secure the 500 additional posts requested.

Subject to the above amendments, the Commission decided:

- to adopt the report on the follow-up to the annual policy strategy for 2003, as set out in COM(2002)427/6, for transmission by the PRESIDENT to Parliament and the Council;
- to authorise Ms de PALACIO to present a report on the follow-up to the annual policy strategy to Parliament's Conference of Committee Chairmen at their meeting on 17 September.

**8. KEY POLITICAL CHALLENGES FOR THE COMMISSION IN THE MONTHS AHEAD
(SEC(2002)905)**

The PRESIDENT presented an information note on the major political challenges facing the Commission in the coming months, viz.:

- enlargement: report on negotiations in progress; objectives set by the European Council in Gothenburg, Laeken and Seville; road map for the second half of 2002; preparing for enlargement itself;
- reform of the institutions: Commission contribution to the work of the Convention; reform of the Commission; reform of the Council, particularly as regards the introduction of programming of Council activities;
- economic coordination: implementation of the stability and growth pact; strengthening economic policy coordination within the euro area; streamlining the main economic and employment processes; achievement of the economic, social and environmental goals of the Lisbon strategy; further debate on industrial policy.

Mr SOLBES, Mr VERHEUGEN and Mr BARNIER outlined the key challenges in their respective areas of responsibility.

The Commission held a preliminary debate on economic coordination and enlargement, after which it agreed as follows:

- economic policy coordination: further to the initial exchange of views held on this subject on 5 June, a new seminar would be held in October;
- enlargement: for the meeting on 16 October, at which Mr VERHEUGEN would table the regular reports and the strategy document on the enlargement negotiations for 2002, a general discussion would be held beforehand;

- reform of the institutions: an information note on the work carried out by the various working groups within the Convention would be distributed shortly. An exchange of views on the future Commission contribution to the Convention on institutional architecture could be held at the forthcoming Commission seminar on 13 and 14 September. The date for the presentation of this contribution to the Convention would be fixed later.

9. COUNCIL MEETINGS

INFORMAL MEETING OF FOREIGN MINISTERS (HELSINGØR, 30 AND 31 AUGUST)

The PRESIDENT and Mr PATTEN reported on the subjects up for discussion by the Foreign Ministers at their informal meeting on 30 and 31 August.

10. OTHER BUSINESS

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (JOHANNESBURG, 26 AUGUST - 4 SEPTEMBER)

The PRESIDENT reported on the opening of the Johannesburg conference on 26 August, and reminded the meeting of the objectives the European Community had set and, among other things, the need for concrete, costed decisions to be taken, for instance in the spheres of water, energy and the environment.

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The Commission's other discussions on certain agenda items are recorded in the special minutes.

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The meeting closed at 1500 hours.