



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1596 final

Brussels, 21 January 2003

MINUTES
of the 1596th meeting of the Commission
held in Strasbourg
(Winston Churchill Building)
on Tuesday 14 January 2003
(afternoon)

These minutes were approved by the Commission at its 1597th meeting, held in Brussels on 21th January 2003.

They contain 18 pages.

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Single sitting: Tuesday 14 January (afternoon)

The sitting opened at 1335 hours with Mr Prodi, President, in the chair.

Present:

Mr PRODI	President	(Items 1 to 10)
Mr KINNOCK	Vice-President	(Took the chair for items 12 to 14)
Ms de PALACIO	Vice-President	(Took the chair for item 11)
Mr MONTI		
Mr FISCHLER		
Mr LIIKANEN		
Mr BOLKESTEIN		
Mr BUSQUIN		
Mr SOLBES		
Mr NIELSON		
Mr VERHEUGEN		
Mr PATTEN		
Mr LAMY		
Mr BYRNE		
Mr BARNIER		
Ms REDING		
Ms SCHREYER		
Ms WALLSTRÖM		
Mr VITORINO		
Ms DIAMANTOPOULOU		

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr FAULL	Commission Spokesman	
Mr MAMER	Spokesman	
Mr SCHINAS	Deputy Chef de cabinet to Ms de Palacio	
Mr BEKX	Deputy Chef de Cabinet to Mr Solbes	Items 9, 10 and 11
Mr GLYNOS	Chef de cabinet to Ms Diamantopoulou	Items 9, 10 and 11
Mr GALEROS	A member of Ms Diamantopoulou's staff	Item 11
Ms QUINTIN	Director-General, Employment and Social Affairs	Items 9, 10 and 11
Mr MOAVERO MILANESI	Deputy Secretary-General	

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

1. AGENDA AND TENTATIVE AGENDAS

(OJ(2003)1596/3; SEC(2003)17/2)

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

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2003)1596)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 13 January.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1595th MEETING

(8 January)

(PV(2003)1595 and /2; PV(2003)1595, Part II and /2)

The Commission approved the minutes of its 1595th meeting.

4. PARLIAMENT

PARLIAMENTARY AFFAIRS GROUP

(SP(2003)83)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 10 January.

5. PERMANENT REPRESENTATIVES COMMITTEE

COUNCIL AFFAIRS GROUP (CAG)

(SI(2003)12)

The Commission took note of the record of the meeting of the Council Affairs Group held on Friday 10 January (SI(2003)12).

It paid particular attention to the following:

Taxation of energy (item 3 of the record)

The Commission adopted the following line:

- since its proposal had been significantly altered, it would propose to the Council that Parliament be reconsulted on the new Presidency compromise;
- it would not amend its proposal (in line with its statement in the minutes of the Council meeting (Economic and Financial Affairs) of 12 March 2001).
However, if the Council unanimously adopted a text which incorporated the exemptions for road hauliers in France and Italy, the Commission's representative would seek to limit the scope of the reduction in excise duties (by a strict time limitation and by making the measures degressive);
- for the sake of consistency, the Commission could, if necessary, make a statement in the Council minutes recalling the importance of its proposal for a directive on diesel fuel used for commercial purposes (COM(2002)410 final) and the need to discuss this subject in greater detail in the Council;
- the initiation of infringement proceedings against France and Italy concerning exemptions for road hauliers would be re-examined in the light of the results of the Council meetings (Economic and Financial Affairs) of 21 January and 18 February.

**6. MONITORING THE APPLICATION OF COMMUNITY LAW:
INFRINGEMENTS
(SEC(2003)29)**

INFRINGEMENTS

The Commission adopted the decisions in SEC(2003)29.

7. WRITTEN PROCEDURES AND EMPOWERMENT

**7.1. WRITTEN PROCEDURES APPROVED
(SEC(2003)18 to /4)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted by written procedure between 6 and 10 January.

**7.2. SENSITIVE WRITTEN PROCEDURES
(SEC(2003)19)**

The Commission took note of the following written procedures initiated between 6 and 14 January for the adoption of decisions with political implications:

Time limit: 15.01.2003

E/2003/5 - C(2003)9

Environment DG

Commission recommendation on the guidelines to assist a Member State in the preparation of a national emission reduction plan further to the provisions of Directive 2001/80/EC on the limitation of emissions of certain pollutants into the air from large combustion plants.

Time limit: 16.01.2003

E/2003/30 - COM(2003)14 Agriculture DG

Proposal for a Council Regulation amending Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs.

Time limit: 17.01.2003

E/2003/59 - COM(2003)25 Trade DG

Proposal for a Council Regulation establishing additional customs duties on imports of certain products originating in the People's Republic of China.

7.3. *EMPOWERMENT*

(SEC(2003)20 to /5)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 6 and 10 January.

7.4. *DELEGATION AND SUBDELEGATION OF POWERS*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 6 and 10 January, as archived on the "Grefte 2000" (Registry) website.

8. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2003)21/2)

ADMINISTRATIVE MATTERS

(PERS(2003)3)

8.1. DG TREN.I - 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 I (Nuclear inspections) in the Energy and Transport DG (PERS(2002)125 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 3 and 13 December (PERS(2002)125/3 and /4).

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 Ms de PALACIO, it then decided to appoint Mr Christian CLEUTINX to the post.

This decision would take effect on a date to be fixed later.

8.2. DG EMPL.B - 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 B (National employment and social inclusion monitoring, and ESF Operations I) in the Employment DG (PERS(2002)141, /2 and /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 25 November and 12 December (PERS(2002)141/4 and /5).

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 Ms DIAMANTOPOULOU, it then decided to appoint Mr Peter Stub JØRGENSEN to the post.

This decision would take effect on a date to be fixed later.

OTHER MATTERS

8.3. *PROPOSAL FOR CANDIDATES FOR THE POST OF EXECUTIVE DIRECTOR OF THE EUROPEAN MARITIME SAFETY AGENCY* (C(2003)5183/2)

The Commission adopted a list of candidates to be put forward for the post of Executive Director of the European Maritime Safety Agency, and empowered Ms de PALACIO, in agreement with the PRESIDENT and Mr KINNOCK, to transmit it to the Administrative Board of the Agency.

9. REPORT TO THE SPRING EUROPEAN COUNCIL (21 MARCH) - LISBON STRATEGY OF ECONOMIC, SOCIAL AND ENVIRONMENTAL RENEWAL (COM(2003)5 to /4; SEC(2003)25 to /4; SEC(2003)41)

The PRESIDENT presented a draft report to the spring European Council (21 March) on the Lisbon strategy of economic, social and environmental renewal.

He emphasised the innovative nature of this draft report: rather than being a catalogue of actions to be taken, it laid down the main guidelines, identified the

concrete results to be achieved, and should, over the years, take stock of the actual implementation of these guidelines by Member States.

He explained the contents of the report as a series of replies to four key questions:

- was the Lisbon Strategy still relevant?
- what progress had been made in implementing the strategy over the last three years?
- what were the priorities for 2003 in order to galvanise and speed up this implementation?
- what concrete measures could be taken or proposed to ensure effective application of the reforms underlying the strategy?

He set out the thrust of the replies to these questions:

- the Lisbon Strategy was still valid, including for a Union of 25 Member States;
- the general impression emerging from the report was that not enough progress had been made in implementing the strategy, and there was a lack of determination at national level in a large number of key subject areas;
- the priorities for 2003 should be to press for greater investment in education and innovation so as to boost economic growth and employment;
- the European Council should ask the Council to adopt the decisions on the reforms of the Lisbon Strategy not yet taken and to implement the necessary structural reforms (pensions). The Commission would strictly monitor the implementation of the broad economic policy guidelines and the employment guidelines.

The Commission held an exchange of views on the content of the report and in particular on the advisability of presenting, in the form of a graph (graph 5, item 4.1. of COM(2003)5/4), the performance of the various Member States in comparison with certain indicators.

Following this discussion, the Commission:

- decided to leave the graph in;
- approved the report in COM(2003)5/4;
- authorised the PRESIDENT to finalise the text and transmit it (accompanied by supporting documents SEC(2003)25/3 and /4) to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions.

**10. REPORT ON THE IMPLEMENTATION OF THE 2002 BROAD
ECONOMIC POLICY GUIDELINES
(COM(2003)4 to /3; SEC(2003)33 and /2; SEC(2003)39)**

The Commission adopted the communication in SEC(2003)4/3 for transmission to the Council, Parliament, the Economic and Social Committee and the European Central Bank, accompanied by supporting document SEC(2003)33/2.

**11. FUTURE OF THE EUROPEAN EMPLOYMENT STRATEGY
(COM(2003)6 to /4; SEC(2003)39)**

Ms DIAMANTOPOULOU tabled a communication on the future of the European employment strategy following the communication of 17 July 2002, in which the

Commission had given an update on the experience of five years' implementation of the European employment strategy.

The objective was to launch a wide-ranging debate with all interested parties and to feed into the work of the spring European Council, whose conclusions would form the basis of preparations for the formal Commission proposal on the employment guidelines for 2003.

This communication focused on medium-term objectives and on the concrete results to be achieved. In the context of the three major objectives (improvement of employment in quantitative and qualitative terms and in terms of social inclusion), the report identified eleven priorities and proposed a methodology for implementation.

It was important that the work in the Council be based on this Commission communication, contrary to the practice adopted recently under the Danish Presidency.

The Commission held an in-depth exchange of views on:

- the relationship and need for consistency between this communication, the future employment guidelines, and the future broad economic policy guidelines, which would have to be adopted simultaneously in April;
- the structure and presentation of the table annexed to COM(2003)6/4, which gave, for indicative purposes, examples of indicators and objectives for the European employment strategy.

Following this discussion, the Commission decided:

- to add the following sentence to the last paragraph of the introduction (page 4, second paragraph):

"The present text is a document for discussion. The Commission will propose, in April, in the light of the conclusions of the Spring European Council, its detailed proposals for the broad economic policy guidelines (BEPG) and the employment guidelines, in a manner which ensures consistency of approach across the two documents."

- to amend the table in the annex on the following points:
 - Title: "Examples of possible indicators and of possible targets for the European employment strategy";
 - the third column of the table (Targets for new EES - 2010) was left blank together with the following explanatory footnote:

"Appropriate targets could be defined after the European Council on relevant issues identified amongst the areas indicated in this table."

Subject to these amendments, the Commission approved the communication in COM(2003)6/4 for transmission to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions.

In this connection, the Commission agreed to hold a seminar on the problem of immigration in its various aspects (judicial, economic, social); to this end, Mr VITORINO, the lead Member for the preparations for this seminar, would receive contributions from Mr SOLBES and Ms DIAMANTOPOULOU for the economic and social aspects of the matter.

12. WORK OF THE CONVENTION

Mr BARNIER and Mr VITORINO reported on the latest developments in the Presidium of the Convention, in particular on the theme of the allocation of powers, as well as on the methods and work schedule of the Presidium.

Given the acceleration of the work of drafting the constitutional Treaty, and the line taken by the Presidium on crucial subjects such as the allocation of powers, the Commission decided:

- that it would monitor this work on a weekly basis (weekly preparatory meeting of Chefs de cabinet and, if necessary, debate in the Commission);
- to adopted a pragmatic approach to the distribution of the documents necessary for the preparations for the meetings of the Presidium and the Convention, reconciling the requirements of confidentiality expressed by the Secretariat-General of the Convention on the one hand, and the principle of collective responsibility within the Commission on the other;
- that each Member would not only supply Mr BARNIER and Mr VITORINO with arguments to promote the Commission's position in their various subject areas, but also maintain contacts with the members of the Convention and in the Member States to the same end.

The Commission also agreed to distribute widely the article by Mr GISCARD D'ESTAING on the European Convention at mid-term, published on 14 January in various European media.

13. COUNCIL MEETINGS

(SI(2003)13)

EUROGROUP (BRUSSELS, 20 JANUARY)

ECONOMIC AND FINANCIAL AFFAIRS

(BRUSSELS, 21 JANUARY)

Mr SOLBES reported on the main subjects to be dealt with at the next meeting of the Eurogroup and the Council (Economic and Financial Affairs), in particular budgetary problems (compliance with the criteria of the stability and growth pact - Germany and France), the updated convergence programmes presented by various Member States, and the institutional adaptation of the European Central Bank with a view to enlargement.

14. RELATIONS WITH NON-MEMBER COUNTRIES

- GENETICALLY MODIFIED ORGANISMS - FOOD AID

Mr LAMY reported on statements in the press by Mr ZOELLICK, US trade representative, that the European position on GMOs was a backward step, and that Europe may have brought pressure to bear on the developing countries to get them to refuse food aid offered by the United States in the form of products containing GMOs. Mr ZOELLICK had also stated that the American administration would probably take the dispute on GMOs (moratorium on imports and marketing in Europe) to the WTO.

Mr LAMY suggested that the Commission, and in particular all the Members directly concerned (Mr NIELSON, Mr BYRNE, Ms WALLSTRÖM, Mr FISCHLER, Mr PATTEN and himself), should respond vigorously to these

statements, in the press in Europe and the developing countries, on the basis of a common argument on the various aspects of this matter.

The Commission approved this approach.

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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 1625 hours.