



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1617 final

Brussels, 24 June 2003

MINUTES
of the 1617th meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 18 June 2003
(morning)

These minutes were approved by the Commission at its 1618th meeting, held in Brussels on 24 June 2003.

They contain 17 pages.

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Single sitting: Wednesday 18 June (morning)

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

Present:

Mr PRODI	President	Items 1 to 14
Mr KINNOCK	Vice-President	
Ms de PALACIO	Vice-President	
Mr MONTI		
Mr LIIKANEN		Items 1 to 14
Mr BOLKESTEIN		
Mr BUSQUIN		Items 1 to 14
Mr SOLBES		
Mr NIELSON		
Mr PATTEN		
Mr LAMY		
Mr BYRNE		
Mr BARNIER		
Ms REDING		
Ms SCHREYER		
Ms WALLSTRÖM		
Mr VITORINO		
Ms DIAMANTOPOULOU		

Absent:

Mr FISCHLER
Mr VERHEUGEN

The following sat in to represent absent Members of the Commission

Mr LOSCH	A member of Mr Fischler's staff
Mr TEMPEL	Chef de cabinet to Mr Verheugen

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr DE OLIVEIRA E SOUSA	Director-General, Press and Communication	
Mr KEMPPINEN	Commission Spokesman	
Mr DE RYNCK	Spokesman	Item 11
Ms GMINDER	Spokesman	Item 9
Ms HEDLUND	Spokesman	Item 12
Mr THOMAS	Spokesman	
Mr CARVOUNIS	Press and Communication DG	
Mr STROHMEIER	Adviser in the President's Office	Items 6 and 9
Mr SMULDERS	A member of the President's staff	Item 11
Ms SUPERTI	A member of Mr Kinnock's staff	Items 5 and 10
Mr PEREZ MONTES	A member of Ms de Palacio's staff	Item 12
Mr VAN HOOFF	Chef de cabinet to Mr Monti	Items 11 and 13
Ms OLIVI	A member of Mr Monti's staff	Item 11
Ms BENOLIEL	Deputy Chef de cabinet to Mr Byrne	Item 9
Mr PLANAS	Chef de cabinet to Mr Solbes	Items 9, 10, 11
Ms ROGER	Chef de cabinet to Mr Barnier	Item 11
Mr ANNERBERG	Chef de cabinet to Ms Wallström	Item 12
Mr ARP	A member of Ms Wallström's staff	Item 12
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino	Item 11
Mr LOPES ALEIXO	A member of Mr Vitorino's staff	Item 11
Mr ABBAMONTE	Health and Consumer Protection DG	Item 9
Ms LONG	Health and Consumer Protection DG	Item 9
Mr LEVI	GOPA	Item 11

Mr PONZANO	Secretariat-General	Item 11
Mr SAGREDO	Secretariat-General	Item 14
Mr VAN NUFFEL	Secretariat-General	Item 11

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

1. AGENDAS

(OJ(2003)1617/3; SEC(2003)705/2)

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)1617)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 16 June.

3. MINUTES AND SPECIAL MINUTES OF 1616th MEETING (11 and 12 June)

(PV(2003)1616; PV(2003)1616, Part II)

The Commission approved the minutes of its 1616th meeting.

4. WRITTEN PROCEDURES AND EMPOWERMENT

4.1. WRITTEN PROCEDURES APPROVED

(SEC(2003)706 *et seq.*)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 10 and 13 June.

4.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)707)

The Commission took note of written procedures initiated between 10 and 13 June for the adoption of decisions with political implications.

4.3. EMPOWERMENT

(SEC(2003)708 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 10 and 13 June.

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 10 and 13 June, as archived on the "Greffé 2000" (Registry) website.

5. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2003)709/2)

ADMINISTRATIVE MATTERS

(PERS(2003)91)

DG ADMIN/IDOC - 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 the Investigation and Disciplinary Office (PERS(2002)62/4 and /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 29 April and 8 May (PERS(2002)62/6 and /7).

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, it then decided to appoint Mr VAN LIER to the post.

This decision would take effect on 1 September.

6. INTEGRATED PRODUCT POLICY
(COM(2003)302 to /5; SEC (2003)637; SEC(2003)699)

The Commission approved the communication in COM(2003)302/5 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

7. ACTIVITY AND PROSPECTS OF THE EUROPEAN TECHNICAL AND SCIENTIFIC CENTRE
(SEC(2003)700)

The Commission took note of the information note distributed by Ms SCHREYER, in agreement with Mr SOLBES, concerning the activities and future of the European Technical and Scientific Centre, responsible for the technical analysis and classification of counterfeit euro coins.

8. BILATERAL INVESTMENT TREATIES BETWEEN THE UNITED STATES AND THE FUTURE MEMBER STATES AND CANDIDATE COUNTRIES

(SEC(2003)723 to /3)

The Commission took note of SEC(2003)723/3 and authorised Mr LAMY, in agreement with the Commission Members directly concerned, to negotiate with the United States along the lines set out in the document.

9. PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE CONCERNING UNFAIR BUSINESS-TO-CONSUMER COMMERCIAL PRACTICES IN THE INTERNAL MARKET

(COM(2003)356 to /4; SEC (2003)724; SEC(2003)720)

Mr BYRNE presented a proposal for a Directive, the culmination of a wide consultation process launched following publication of the Green Paper adopted by the Commission in 2001 and based on an in-depth impact study. The approach chosen was a balanced one and met a double need - to provide a common high level of consumer protection while contributing to the smooth operation of the internal market. To this end, the Directive proposed the establishment of a framework of completely harmonised general principles, to which sectoral legislation could be added if necessary. It would help fill existing gaps in consumer protection and eliminate obstacles to the internal market caused by a fragmented and rigid legislative approach.

Following an in-depth exchange of views, particularly on the scope and impact of the proposed harmonisation and on the precision and clarity of the terms and concepts used, the Commission adopted the proposal for a Directive in COM(2003)356/4 for transmission to Parliament, the Council and the Economic and

Social Committee at the same time as the enlarged impact assessment (SEC(2003)724), which would be transmitted as a staff working paper.

10. PARLIAMENT

10.1. PARLIAMENTARY AFFAIRS GROUP

(SP(2003)2080)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 12 June.

It paid particular attention to the following:

Preparations for June II part-session

(point 2 of the record)

The Commission, in accordance with the rules in force, authorised the Commission Members responsible, in agreement with the PRESIDENT, Ms de PALACIO and any other Members associated, to take a position on Parliament's amendments to its proposals.

It paid particular attention to the following:

2nd reading

- LISI report, Major-accident hazards involving dangerous substances
COM(2001)624, 00/0257 (COD)

The Commission adopted the line set out in SP(2003)1962, involving the rejection of certain amendments.

- KEPPELHOFF-WIECHERT report, Additives for use in animal nutrition, COM(2000)153, 02/0073 (COD)

The Commission adopted the line set out in SP(2003)1963, involving the rejection of certain amendments.

Empowerment

Under Article 13 of its Rules of Procedure the Commission empowered Ms WALLSTRÖM, Mr SOLBES and Mr BYRNE, in agreement with the PRESIDENT, Ms de PALACIO and any other Members associated, to adopt its opinion on the amendments, together with any amended proposals, on the basis of the line set out in the documents concerned, once Parliament had given its opinion, and transmit them to the Council in accordance with Article 251(2)(c) of the Treaty, for the following:

- LISI report, Major-accident hazards involving dangerous substances (SP(2003)1962)
- KEPPELHOFF-WIECHERT report, Additives for use in animal nutrition (SP(2003)1963)
- NISTICÓ report, Community statistics on science and technology (SP(2003)2072)
- PAULSEN report, Monitoring of zoonoses and zoonotic agents (SP(2003)2074)
- JACKSON report, Protection of animals used for experimental purposes (SP(2003)2059)

- PAULSEN report, Control of salmonella and other food-borne zoonotic agents
(SP(2003)2073).

Action taken on Parliament's opinions and resolutions

(point 5 of the record)

The Commission adopted the replies to non-legislative opinions and own-initiative resolutions adopted by Parliament to which the Commission had undertaken to reply (SP(2003)1961/2), for transmission to Parliament.

10.2. MEETING OF COMMITTEE ON BUDGETARY CONTROL, 17 JUNE

Mr SOLBES, Ms SCHREYER and Mr KINNOCK reported on their appearance before Parliament's Committee on Budgetary Control on Tuesday 17 June concerning various Eurostat dossiers being investigated by the Anti-Fraud Office.

The Commission held an in-depth exchange of views on the situation. It noted the position and decisions it had taken on 21 May in relation to these dossiers (PV(2003)1613, item 15) and took note of the progress of the work it had ordered. It pointed to the need to maintain a coherent and clear line in explaining the circumstances in which it had come to know of these cases. The Commission noted that, irrespective of the specific circumstances of these particular cases, which went back several years, it had as part of the administrative reform put in place a comprehensive series of internal controls and audits to support a structural strengthening of financial management. For these measures to be as effective as possible, Commission Members must be supplied with appropriate and, if necessary, improved information on the results and the follow-up of these controls and audits.

The Commission considered it urgent, as the Office itself agreed, to update a code of conduct for organising and managing the flow of information between the Anti-Fraud Office and the Commission so that the Commission could react in full knowledge of the facts and take all necessary management measures in good time. A proposal to this effect should be discussed by the Commission, if possible before the summer holidays; at the same time, Commission Members should consider a possible solution involving full independence for the Anti-Fraud Office.

11. WORK OF THE CONVENTION

(SEC(2003)721; SEC(2003)733)

The Commission took note of the information provided by Mr BARNIER and Mr VITORINO on the conclusion of the Convention and the follow-up action that might be taken. It thanked them for their commitment and efforts over many months of intense and difficult negotiations. The Commission endorsed Mr BARNIER's and Mr VITORINO's thanks to all the staff of the Task Force on the Future of the Union under Mr PONZANO and its Unit Head, Mr VAN NUFFEL, for its excellent and devoted work. These thanks were also addressed to Mr O'SULLIVAN, the personal staff of the PRESIDENT, Mr BARNIER and Mr VITORINO, and all the Commission departments which had contributed competently and effectively to the historic process of the Convention.

As regards the outcome of the Convention, the Commission noted that the choice of this procedure had proved its effectiveness. The draft constitutional Treaty resulting from its work contained some extremely important advances, notwithstanding the shortcomings to which it had drawn attention. The Commission confirmed its

determination to work for improvements in the draft over the coming weeks, and later under the Intergovernmental Conference.

12. STATE OF PLAY ON RATIFICATION OF THE KYOTO PROTOCOL (SEC(2003)701)

Ms WALLSTRÖM outlined the main points of the situation as regards ratification of the Kyoto protocol. She reported on the positions of Russia and the United States, and highlighted the political and environmental reasons for maintaining the approach taken by the Union, backed up by the scientific realities and characterised by a commitment to seek solutions to these world problems in a multilateral framework.

The Commission took note of this information and held a brief exchange of views, after which it confirmed its position that the protocol should be ratified by a sufficient number of states (particularly Russia) before it could enter into force, without prejudice to the further efforts needed to supplement it, particularly by giving priority to research and technological development in combating climate change in the longer term. The Commission agreed to give further thought to this issue in the light of developments.

13. MONITORING THE APPLICATION OF COMMUNITY LAW

STATE AID - TAX ARRANGEMENTS FOR COORDINATION CENTRES (SEC(2003)732 to /3)

The Commission had before it a communication from Mr MONTI on the question of a possible referral to the Court of Justice if the Council adopted a decision under Article 88(2) of the EC Treaty in favour of Belgian coordination centres.

The Commission held an in-depth discussion, taking into account the details and background of the case, its institutional challenges and the thrust of the latest contacts with the Belgian authorities. While taking note of a substantial majority in favour of Mr MONTI's proposal and the underlying concerns, the PRESIDENT decided not to take a decision on this item at this stage but to return to the subject in due course in the light of developments in the Council.

14. COUNCIL MEETINGS

(SI(2003)725)

14.1. ENVIRONMENT

(LUXEMBOURG, 13 JUNE)

(SEC(2003)705 and /2; SEC(2003)734)

The Commission took note of the information note distributed by Ms WALLSTRÖM.

14.2. GENERAL AFFAIRS AND EXTERNAL RELATIONS

(LUXEMBOURG, 16 AND 17 JUNE).

(SI (2003)742; SI (2003)743)

Mr PATTEN reported on the backdrop to the Council meeting and the main points discussed, including the situation in the Middle East (peace process, Iraq, Iran), and preparations for the Thessaloniki European Council, the EU-Balkans summit and the forthcoming EU-USA summit.

15. RELATIONS WITH NON-MEMBER COUNTRIES

VISIT BY Mr LAMY TO CHINA - 12 AND 13 JUNE

Mr LAMY reported on his visit to China and indicated that the Chinese authorities were prepared to lift their ban on Dutch imports, imposed in response to the EU's ban on certain Chinese imports for health reasons. To this end, the Commission asked Mr BYRNE to define with the Chinese authorities the speediest possible timetable for an on-the-spot health inspection.

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

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The sitting closed at 1340 hours.