



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1622 final

Brussels, 27 August 2003

MINUTES
of the 1622nd meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 23 July 2003
(morning)

These minutes were approved by the Commission at its 1623rd meeting, held in Brussels on 27 August 2003.

They contain 29 pages.

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Single sitting: Wednesday 23 July (morning)

The sitting opened at 0925 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 BOLKESTEIN	
Mr BUSQUIN	
Mr SOLBES	
Mr NIELSON	
Mr VERHEUGEN	
Mr BYRNE	
Mr BARNIER	
Ms REDING	
Ms SCHREYER	
Mr VITORINO	
Ms DIAMANTOPOULOU	

Absent:

Mr PATTEN
Mr LAMY
Ms WALLSTRÖM

The following sat in to represent absent Members of the Commission

Mr CHILD	A member of Mr Patten's staff	Except items 13 to 15
Mr THERY	Chef de cabinet to Mr Lamy	Except items 13 to 15
Mr ANNERBERG	Chef de cabinet to Ms Wallström	Except items 13 to 15

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	Except points 13 to 15
Mr KEMPPINEN	Commission Spokesman	
Mr MAMER	Spokesman	Item 7
Mr CARVOUNIS	Press and Communication DG	Except items 13 to 15
Ms HOUTMAN	Deputy Chef de cabinet to the President	Item 17
Mr ABOU	Chief Adviser in the President's Office	Items 13 to 15
Mr SMULDERS	A member of the President's staff	Item 17
Mr KOOPMAN	Chef de cabinet to Mr Kinnock	
Mr FITCH	A member of Mr Kinnock's staff	
Mr CALLEJA	Chef de cabinet to Ms de Palacio	Except items 13 to 15
Mr CANGA FANO	A member of Ms de Palacio's staff	Item 17
Mr SANCHEZ RICO	A member of Ms de Palacio's staff	Item 16
Mr PLANAS	Chef de cabinet to Mr Solbes	Items 1 to 15
Mr BEKX	Deputy Chef de Cabinet to Mr Solbes	Items 1 to 15
Mr LEHNER	Chef de cabinet to Ms Schreyer	
Ms HOFFMAN	Deputy Chef de cabinet to Ms Reding	Items 16 et seq.
Mr HERVAS SORIANO	Secretariat-General	Item 16

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

Before embarking on the agenda proper, the Commission took note of the rota of Commission Members on standby during the summer period. These would be:

- Mr MONTI: from Saturday 26 July to Friday 1 August,
- Ms DIAMANTOPOULOU: from Saturday 2 August to Friday 8 August,
- Mr KINNOCK: from Saturday 9 August to Friday 15 August,
- Mr LIIKANEN: from Saturday 16 August to Friday 22 August.

A note setting out the arrangements for the standby rota would be distributed (SEC(2003)894).

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1. AGENDAS

(OJ(2003)1622/3; SEC(2003)844/2)

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)1622)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Tuesday 22 July.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1621st MEETING
(16 July)
(PV(2003)1621; PV(2003)1621, Part II to /3)**

The Commission approved the minutes of its 1621st meeting.

4. PARLIAMENT

***PARLIAMENTARY AFFAIRS GROUP
(SP(2003)2578)***

The Commission took note of the record of the Parliamentary Affairs Group meeting held on 17 July.

It paid particular attention to the following:

**Preparations for September I 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.

Empowerment

Under Article 13 of its Rules of Procedure the Commission empowered the PRESIDENT, in agreement with Ms de PALACIO and any other Members associated, or Mr LIIKANEN, 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:

- FRASSONI report - Committees assisting the Commission (SP(2003)2562)
- LECHNER report - Fertilisers (SP(2003)2538)

Action taken on Parliament's opinions and resolutions

(point 5 of the record)

The Commission adopted the replies to own-initiative and non-legislative resolutions adopted by Parliament to which the Commission had undertaken to reply (SP(2003)2511), for transmission to Parliament.

The Commission adopted SP(2003)2339/2 on the action taken on the opinions and resolutions adopted by Parliament at its June part-sessions, for transmission to Parliament.

5. WRITTEN PROCEDURES AND EMPOWERMENT

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2003)845 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 18 July.

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)846 et seq.)

The Commission took note of written procedures initiated between 14 and 18 July for the adoption of decisions with political implications.

5.3. EMPOWERMENT

(SEC(2003)847 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 18 July.

**5.4. GENERAL EMPOWERMENT FOR THE ADOPTION OF DECISIONS
UNDER ARTICLE 7 OF PARLIAMENT AND COUNCIL DIRECTIVE
2002/21/EC OF 7 MARCH 2002 ON A COMMON REGULATORY
FRAMEWORK FOR ELECTRONIC COMMUNICATIONS NETWORKS
AND SERVICES (FRAMEWORK DIRECTIVE)**

(SEC(2003)857)

The Commission decided to grant the general empowerment for the adoption of decisions under Article 7 of Parliament and Council Directive 2002/21/EC set out in SEC(2003)857.

5.5. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 14 and 18 July, as archived on the "Greffé 2000" (Registry) website.

**5.6. *DELEGATION OF POWERS IN RESPECT OF DONATIONS IN
FAVOUR OF THE COMMUNITIES***
(SEC(2003)858)

The Commission decided to grant the general empowerment and delegation of powers as regards donations in favour of the Communities set out in SEC(2003)858.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2003)848/2)

ADMINISTRATIVE MATTERS
(PERS(2003)112)

6.1. *DGT - PUBLICATION OF POST OF DIRECTOR-GENERAL*
(PERS(2003)113)

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT, the Commission decided to authorise the internal publication of the vacancy notice for the post of Director-General, Translation, under Article 29(1)(a) of the Staff Regulations.

This decision would take effect immediately.

6.2. *DG COMP.A - A2 POST OF DIRECTOR*
(PERS(2003)86 to /4)

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director in the Competition DG (PERS(2003)86 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 18 and 30 June (PERS(2003)86/3 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 Mr MONTI, it then decided to appoint Mr Emil PAULIS to the post.

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

6.3. DG FISH.C - A2 POST OF DIRECTOR
(PERS(2002)167 to /8)

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director in the Fisheries DG (PERS(2002)167 to /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 29 January and 20 February (PERS(2002)167/7 and /8).

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 FISCHLER, it then decided to appoint Ms Lea VERSTRAETE to the post.

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

6.4. DG ECFIN.B - A2 POST OF DIRECTOR
(PERS(2002)147 to /3; PERS(2003)9 to /5)

The Commission had before it applications under Article 29(1)(a) and 29(2) of the Staff Regulations for the A2 post of Director in the Economic and Financial Affairs DG (PERS(2002)147; PERS(2003)9/2 and /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 5 and 6 November 2002 and 18 and 26 June 2003 (PERS(2002)147/2 and /3; PERS(2003)9/4 and /5).

The Commission proceeded to compare the applicants' qualifications for the post. On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr SOLBES, it then decided to appoint Mr Marco BUTI to the post.

This decision would take effect on 1 September.

6.5. DG ENV.G - A2 POST OF DIRECTOR
(PERS(2003)64 to /4)

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director in the Environment DG (PERS(2003)64 and /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 12 and 24 June (PERS(2003)64/2 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 WALLSTRÖM, it then decided to appoint Mr Timo MAKELA to the post.

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

6.6. SG - INTERIM A2 APPOINTMENT

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT, decided under Article 7(2) of the Staff Regulations that Mr Niels AHRENDT, an A3 official, currently Adviser in the Secretariat-General, should temporarily occupy the post of Director of Directorate SG/B from 1 April 2003 until the new Director was appointed, subject to a maximum of twelve months.

This decision would take effect immediately.

**6.7. APPLICATION OF ARTICLE 50 OF THE STAFF REGULATIONS
(INITIAL STAGE) WITH RESPECT TO AN A2 OFFICIAL**

The Commission decided to initiate the procedure laid down in Article 50 of the Staff Regulations in respect of an A2 official.

6.8. DGT - PROCEDURE FOR APPOINTING UNIT HEADS

The Commission decided to amend its decision on the organisation of the Translation DG at its meeting of 30 January (PV(2003)1598, item 8.3) as follows:

- in line with the text of the decision, Annex 2 (List of posts to be filled) would specify that vacant Unit Head posts could be filled by transfer and/or by publication.

This decision would take effect immediately.

6.9. *DECISION ESTABLISHING SPECIFIC MEASURES FOR EARLY RETIREMENT*
(C(2003)2720)

The Commission adopted the decision and the list of officials chosen for the second round of early retirements, as set out in C(2003)2720).

This decision would take effect immediately.

OTHER MATTERS

6.10. *DRAFT GUIDELINES FOR THE APPLICATION OF ARTICLE 22 OF THE STAFF REGULATIONS (CONSULTATIVE DOCUMENT FOR CONCILIATION WITH THE TRADE UNIONS AND STAFF ASSOCIATIONS)*
(SEC(2003)862 to /5)

The Commission approved the draft guidelines for the application of Article 22 of the Staff Regulations, as set out in SEC(2003)862/5, as a consultative document for conciliation with the trade unions and staff associations.

6.11. *SUPPLEMENTARY ADMINISTRATIVE INQUIRY REPORT*
(SEC(2003)869)

The Commission took note of the information supplied by Mr KINNOCK in SEC(2003)869.

**7. MODERNISATION PACKAGE - MEASURES TO APPLY COUNCIL
REGULATION (EC) NO 1/2003 OF 16 DECEMBER 2002 ON THE
IMPLEMENTATION OF THE RULES ON COMPETITION LAID DOWN
IN ARTICLES 81 AND 82 OF THE EC TREATY
(SEC(2003)842 to /14)**

The Commission:

- approved the content of the draft Commission Regulation in SEC(2003)842/10 and the draft communications in SEC(2003)842/6, /7 and /11 to /14;
- authorised Mr MONTI to undertake the formalities laid down in Article 33 of Council Regulation (EC) No 1/2003, in particular:
 - to transmit the draft Commission Regulation in SEC(2003)842 /10 to the Advisory Committee on Restrictive Practices and Dominant Positions, for initial consultation;
 - after taking the committee's observations into account, to publish a draft text; and
 - to consult the Advisory Committee afresh on the draft, taking account of the results of the public consultation;
- authorised Mr MONTI to carry out the same procedures for the draft communications in SEC(2003)842/6, /7 and /11 to /14.

**8. COMMISSION DECISION CONCERNING A PROCEEDING UNDER
ARTICLE 8(2) OF COUNCIL REGULATION No 4064/89
(CASE COMP/M. 2972 - DSM / ROCHE VITAMINS)
(C(2003)2648 to /4)**

The Commission:

- took note of the opinion of the Advisory Committee on Concentrations of 18 July in C(2003)2648/4;
- took note of the final report of the Hearing Officer in C(2003)2648/4;
- adopted, in the authentic language (English), the decision in C(2003)2648/3 declaring the merger in question compatible with the common market and the EEA Agreement, subject to compliance with certain undertakings given by the parties.

The decision would be published in the Official Journal (with business secrets removed) in all the official languages.

**9. COMMISSION DECISION CONCERNING A PROCEEDING UNDER
ARTICLE 9(3) OF COUNCIL REGULATION No 4064/89
(CASE COMP/M. 2978 - LAGARDERE / NATEXIS / VUP)
(C(2003)2656 and /2)**

The Commission adopted, in the authentic language (French), the decision in C(2003)2656 and /2 concluding that the proposed merger notified to it should not be referred back to the relevant national authorities.

**10. PROPOSAL FOR A DIRECTIVE AMENDING DIRECTIVE 2003/.../EC
ESTABLISHING A SCHEME FOR GREENHOUSE GAS EMISSION
ALLOWANCE TRADING WITHIN THE COMMUNITY, IN RESPECT OF
THE KYOTO PROTOCOL'S PROJECT MECHANISMS
(COM(2003)403 to /6; SEC(2003)785/4; SEC(2003)798)**

The Commission adopted the proposal for a Directive in COM(2003)403/6 for transmission to Parliament and the Council and, for opinions, to the Economic and Social Committee and the Committee of the Regions.

**11. PROTECTING THE COMMUNITIES' FINANCIAL INTERESTS AND THE
FIGHT AGAINST FRAUD - ANNUAL REPORT 2002
(COM(2003)445 to /3; SEC(2003)881)**

The Commission approved the annual report 2002 on the protection of financial interests and combating fraud, as set out in COM(2003)445 and /3, for transmission to Parliament, the Council, the Court of Justice, the Court of Auditors, the Economic and Social Committee, the Committee of the Regions and the European Central Bank.

**12. PROPOSAL FOR A PARLIAMENT AND COUNCIL REGULATION
ESTABLISHING A EUROPEAN CENTRE FOR DISEASE PREVENTION
AND CONTROL
(COM(2003)441 to /4; SEC(2003)865)**

The Commission adopted the proposal for a Regulation in COM(2003)441/4 for transmission to Parliament, the Council, the Economic and Social Committee and

the Committee of the Regions. It empowered Mr BYRNE, in agreement with the PRESIDENT and Ms SCHREYER, to finalise the document before its transmission.

13. ADMINISTRATIVE AND BUDGETARY MATTERS

(continued from item 6)

13.1. EUROSTAT - FOLLOW-UP TO MEETING OF 9 JULY

(SEC(2003)891)

The PRESIDENT reminded the meeting of the decisions taken by the Commission on 9 July (PV(2003)1620, item 1.1) concerning the investigations into Eurostat. The Commission must supplement these decisions and prepare the bases for later decisions in the light of the development of the verifications in progress. Mr KINNOCK explained the political context of the decisions he was proposing in agreement with the PRESIDENT, Mr SOLBES and Ms SCHREYER.

The Commission took note of this information and the information supplied by Mr SOLBES and Ms SCHREYER. After an in-depth discussion, it adopted SEC(2003)891 and the decisions set out therein.

As regards the multidisciplinary task force (TFES), the Commission noted the difficulty of the tasks facing it and paid tribute to the spirit of public service shown by Mr ZANGL and the members of the task force.

13.2. MEASURES TO ENSURE CONTINUITY OF EUROSTAT'S ACTIVITIES

(SEC(2003)892)

The Commission took note of the information supplied orally by Mr SOLBES and in his note SEC(2003)892 concerning the measures taken or in the

process of being taken to ensure the continuity of Eurostat's activities, on the one hand, and the implementation and follow-up of the conclusions of the various audit reports on the financial management of the service, on the other. As mentioned by the PRESIDENT, a contingency plan should be prepared forthwith so as to be able to deal with any management consequences that might arise from the conclusions of the work in progress.

14. MEMORANDUM OF UNDERSTANDING ESTABLISHING A CODE OF CONDUCT FOR THE EXCHANGE OF INFORMATION BETWEEN OLAF AND THE COMMISSION

(SEC(2003)871 to /3; SEC(2003)884 and /2; SEC(2003)885 and /2; SEC(2003)881)

The Commission had before it three draft memoranda of understanding on the exchange of information between the Anti-Fraud Office and the Commission (SEC(2003)871/2), between the Anti-Fraud Office and the Internal Audit Service (SEC(2003)884/2) and between the Anti-Fraud Office and the Investigation and Disciplinary Office (SEC(2003)885/2).

Without prejudice to the other draft memoranda, the Commission focused its attention on the draft code of conduct for the better exchange of information between the Anti-Fraud Office and the Commission as regards internal investigations (SEC(2003)871/2 and /3). It noted that, based on the conclusions of the evaluation report on the activities of the Anti-Fraud Office under Article 15 of the OLAF Regulations and in the light of recent events, the code sought to strike the right balance between, on the one hand, protecting the independence of the Anti-Fraud Office, the confidentiality of its investigations and the presumption of innocence and, on the other, the need for the Commission to be in possession of

information enabling it to take the necessary measures to ensure continued effective management. On the last point, the Commission held an in-depth exchange of views on the group of persons who must be kept informed by the Secretary-General of any information transmitted to him by the Anti-Fraud Office and on the purpose of the transmission of the information by the Anti-Fraud Office having regard to the protective actions to be taken by the Commission. It supported the idea that the Secretary-General could inform the Commission Member concerned and his or her Director-General and also, depending on the stages of the inquiry, the Commission Member responsible for Personnel and Administration and the Commission Member responsible for the Budget. Finally, it noted that the draft code of conduct currently applicable only to internal investigations would be extended as soon as possible to cover external investigations also.

Subject to these clarifications, the Commission:

- approved the main points of the draft code of conduct in SEC(2003)871/2 and asked Ms SCHREYER, in agreement with the PRESIDENT and Mr KINNOCK, to finalise the text in the light of her observations during the meeting;
- decided to transmit the draft code of conduct to Parliament and to put it out for interinstitutional consultation;
- noted that the Director of the Anti-Fraud Office would communicate the draft code of conduct to the supervisory committee of the Anti-Fraud Office;
- decided in principle to sign the memorandum of understanding on this code of conduct at the appropriate time;
- also agreed to the memoranda of understanding between the Anti-Fraud Office and the IAS and between the Anti-Fraud Office and the IDO as set out in SEC(2003)884/2 and SEC(2003)885/2.

**15. SUPERVISORY COMMITTEE OPINION ON THE EVALUATION
REPORT PROVIDED FOR IN ARTICLE 15 OF THE TWO REGULATIONS
CONCERNING INVESTIGATIONS CONDUCTED BY OLAF
(SEC(2003)870 and /2; SEC(2003)881)**

The Commission took note that the evaluation report of the activities of the Anti-Fraud Office drawn up under Article 15 of the OLAF Regulations (COM(2003)154 final) would be transmitted to Parliament and the Council, together with the opinion of the supervisory committee of the Anti-Fraud Office (SEC(2003)870). It mandated Ms SCHREYER, in agreement with the PRESIDENT and Mr KINNOCK, to draw up the covering letter for the transmission of the report, which would set out the changes since the report was adopted by the Commission on 2 April (PV(2003)1607, item 17) and highlight amendments that might be needed to the legislation governing the Anti-Fraud Office. The Commission also noted that the Commission report and the opinion of the supervisory committee would be sent to the other Community institutions and bodies.

**16. PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE
AMENDING DIRECTIVE 1999/62/EC ON THE CHARGING OF HEAVY
GOODS VEHICLES FOR THE USE OF CERTAIN INFRASTRUCTURES
(COM(2003)448 to /4; SEC(2003)883; SEC(2003)861)**

Ms de PALACIO set out the main points of the proposal before the Commission. It was a complex and very sensitive issue, in which it was essential to strike the right balance between, on the one hand, the objective of promoting the free movement of goods and services within the Union and, on the other, the practical reality of the

financing of infrastructure by the Member States, which could not depend exclusively on public budgets. On the basis of an approach that was both realistic and ambitious, the proposal had to take account of sometimes widely varying priorities, such as the maintenance of a competitive road transport industry, the further development of the internal market, the development of and investment in new infrastructure, taking environmental concerns into account, and the challenges of enlargement. The proposal also provided a solid and realistic basis for the replacement of the ecopoints system and was fully in keeping with the spirit of the Community legislation recently presented in this area.

The Commission held an exchange of views on the scope of the proposal, particularly the extent of any scheme for internalising external costs; taking congestion costs into account; the mark-up threshold applicable to tolls in order to cover the cross-financing of investment in other transport infrastructure in the same corridor or transport zone; the advisability of hypothecating revenue generated by tolls and usage charges.

After its discussions, the Commission decided to set at 25% the mark-up threshold applicable to tolls in order to cover cross-financing. It noted that for the purposes of the legal instruments the concept of "particularly sensitive regions" included highly congested areas.

Subject to these amendments and clarifications, the Commission adopted the proposal for a Directive in COM(2003)448/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

17. MONITORING THE APPLICATION OF COMMUNITY LAW

17.1. STATE AID - RECAPITULATIVE LIST

(SEC(2003)821)

The Commission had before it a series of proposals for decisions concerning state aid (SEC(2003)821). It considered in particular the draft decision relating to Case N 194/2002 - Germany - *Compensation measures accompanied by the introduction of a mileage-based motorway user charge for heavy goods vehicles*, opening the formal investigation procedure laid down in Article 88(2) of the EC Treaty as set out in C(2003)2581/5 and /6.

Ms de PALACIO explained that the proposal to initiate proceedings covered the whole of the measure notified. This should enable the Commission to examine the measure's compatibility with Article 87 of the EC Treaty and the compatibility of the tolls with Directive 1999/62/EC (Eurovignette) and Article 28 of the EC Treaty, the toll being an element inextricably bound up with the measure notified.

In the light of these clarifications, the Commission adopted all the decisions set out in SEC(2003)821.

17.2. PROPOSAL FOR A COUNCIL REGULATION AMENDING

REGULATION (EURATOM) No 2587/99 DEFINING THE INVESTMENT PROJECTS TO BE COMMUNICATED TO THE COMMISSION IN ACCORDANCE WITH ARTICLE 41 OF THE EURATOM TREATY

(COM(2003)370 to /6)

The Commission took note of the Legal Service's view that the obligation to communicate investment projects for the decommissioning of installations arose from Article 41 of the Euratom Treaty, since dismantling was to be regarded as the writing-off of the original investment and therefore as being

part of that investment. It also noted Ms de PALACIO's observation that the proposal did not compromise the sovereign power of a Member State to decide to dismantle nuclear plant. The present Regulation did not affect the application of the EC Treaty if it appeared that such investments served no useful purpose, or that they went beyond the objectives of the Euratom Treaty, or that public financing distorted or could distort competition on the internal market.

On this basis, the Commission adopted the proposal for a Regulation in COM(2003)370/6 for transmission to the Council and the Economic and Social Committee.

17.3. COMMISSION REGULATION AMENDING REGULATION

No 1209/2000 DETERMINING PROCEDURES FOR EFFECTING THE COMMUNICATIONS PRESCRIBED UNDER ARTICLE 41 OF THE EURATOM TREATY

(C(2003)2106 to /6)

The Commission adopted the Regulation set out in C(2003)2106/6.

17.4. INFRINGEMENTS - URGENT OR POSTPONED CASES

(SEC(2003)887)

The Commission adopted the decisions in SEC(2003)887, subject to the following amendments:

FRANCE Deterioration of the Marais Poitevin
1989/4910

The Commission decided to hold this item over.

17.5. INFRINGEMENTS - URGENT CASE

(SEC(2003)868/2; SEC(2003)890)

AUSTRIA Ban on lorries
2003/2123/A

The Commission decided to refer this case to the Court of Justice with a request for urgent proceedings.

**17.6. INFRINGEMENTS - CASES POSTPONED BECAUSE OF
UNAVAILABILITY OF DOCUMENTS - REGULARISATION
(SEC(2003)863)**

The Commission adopted the decisions in SEC(2003)863.

**18. TRENDS IN THE MEMBER STATES
(SEC(2003)872)**

Mr VITORINO presented the main subjects covered by the media in July, as set out in SEC(2003)872. He drew particular attention to reports about public opinion on the work of the Convention on the draft constitution of the Union, as well as trends in Sweden in connection with the forthcoming referendum on the euro.

**19. COUNCIL MEETINGS
(SI(2003)828)**

19.1. GENERAL AFFAIRS AND EXTERNAL RELATIONS

(BRUSSELS, 21 AND 22 JULY)

(SI(2003)849; SI(2003)850)

The PRESIDENT outlined the main points dealt with at the Council meeting. The key features had been discussions on the programme of the Italian Presidency and the back-to-back meetings with the Israeli Foreign Minister and his counterpart from the Palestinian Authority.

19.2. AGRICULTURE AND FISHERIES

(BRUSSELS, 22 JULY)

(SI(2003)845)

Mr FISCHLER reported on the Council meeting, at which he had reported on the Commission's position for the Cancun meeting and on the measures available to deal with the effects of the drought.

As regards the food safety aspect of the Council meeting, Mr BYRNE reported that the Regulations on the traceability and labelling of GMOs had been adopted, paving the way for the resumption of authorisations. He also mentioned the progress made on the food hygiene package, which should enable a common position to be adopted by autumn.

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

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The meeting closed at 1325 hours.

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ARRANGEMENTS FOR MINUTES AND SPECIAL MINUTES OF THIS MEETING

In view of the urgency of the publication or notification of certain acts adopted at the present meeting, the Commission took note that the ordinary and special minutes thereof would stand approved on Wednesday 30 July at 1700 hours. Any requests for amendments must reach the Registry by 1800 hours on 29 July. Approval of these minutes would be reported in the minutes of the 1623rd meeting.