



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1623 final

Brussels, 2nd September 2003

MINUTES
of the 1623rd meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 27 August 2003
(morning)

These minutes were approved by the Commission at its 1624th meeting, held in Strasbourg on 2nd September 2003.

They contain 14 pages.

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Single sitting: Wednesday 27 August (morning)

The sitting opened at 0915 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 NIELSON	
Mr VERHEUGEN	
Mr PATTEN	
Mr LAMY	
Mr BYRNE	
Mr BARNIER	
Ms REDING	
Ms SCHREYER	
Ms WALLSTRÖM	
Mr VITORINO	
Ms DIAMANTOPOULOU	

Absent:

Mr BOLKESTEIN

The following sat in to represent absent Members of the Commission

Ms MANFREDI A member of Mr Bolkestein's staff

The following also sat in

Mr BOOSS	Chief Adviser, Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr DE OLIVEIRA E SOUSA	Director-General, Press and Communication	
Mr KEMPPINEN	Commission Spokesman	
Ms CORUGEDO STENEBOG	Spokesman	
Mr DE RYNCK	Spokesman	Item 9
Mr KREUZHUBER	Spokesman	Item 9
Mr HENIN	Spokesman	Item 9
Mr ABOU	Chief Adviser in the President's Office	
Mr DE LECEA	Adviser in the President's Office	Items 7 to 9
Mr GOZI	A member of the President's staff	Item 9
Mr GUSSETTI	A member of the President's staff	Item 9
Mr SMULDERS	A member of the President's staff	Item 9
Ms ZAMPIERI	A member of Ms de Palacio's staff	Item 12
Ms ROGER	Chef de cabinet to Mr Barnier	Item 9
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino	Item 9
Mr LEVI	GOPA	Item 9
Mr HANDLEY	Secretariat-General	Item 9
Ms LORENZI	Secretariat-General	Items 6 to 8
Mr PONZANO	Secretariat-General	Item 9
Mr VAN NUFFEL	Secretariat-General	Item 9

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

1. AGENDAS

(OJ(2003)1623/3; SEC(2003)875/3)

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)1623)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 25 August.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1622nd
MEETING (23 July)**

(PV(2003)1622 and /2; PV(2003)1622, Part II and /2)

In line with the arrangements agreed at the meeting in question, the Commission took note of the approval on 30 July of the minutes and special minutes of its 1622nd meeting.

4. PARLIAMENT

(SP(2003)2156/3; SP(2003)2219/2)

Preparations for September I part-session

The Commission, continuing its discussions of 23 July (PV(2003)1622, item 4) on preparations for the plenary session to be held from 1 to 4 September, considered the following in particular:

1st reading and simple consultation

- GRÖNER report, Daphne II programme 2004-08,
COM(2003)54, 03/0025 (COD)

The Commission adopted the line set out in SP(2003)2156/3.

- McCARTHY report, Patentability of computer-implemented inventions,
COM(2002)92, 02/0047 (COD)

The Commission adopted the line set out in SP(2003)2219/2.

5. WRITTEN PROCEDURES AND EMPOWERMENT

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2003)876 et seq.)

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

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)877)

The Commission took note of written procedures initiated between 22 July and 22 August for the adoption of decisions with political implications.

5.3. EMPOWERMENT

(SEC(2003)878 et seq.)

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

5.4. 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 22 August, as archived on the "Greffé 2000" (Registry) website.

**6. COMMUNICATION TO THE COMMISSION ON AN APPLICATION TO
MOBILISE THE EU SOLIDARITY FUND FOR THE FIRE-RELATED
DISASTER IN PORTUGAL**

(SEC(2003)925 to /4)

The Commission adopted SEC(2003)925/4 and the conclusions it contained; it decided to empower Mr BARNIER, in agreement with the PRESIDENT and the Commission Members concerned, to take the actions stipulated in the document.

The Commission also took note of the maps distributed during the meeting, showing the areas affected by fire in Portugal as at 20 August.

**7. PROPOSAL FOR A PARLIAMENT AND COUNCIL DECISION ON THE
MOBILISATION OF THE EU SOLIDARITY FUND
(COM(2003)529 to /4)**

The Commission adopted the proposal for a Decision in COM(2003)529/3 and /4 for transmission to Parliament and the Council.

**8. PRELIMINARY DRAFT AMENDING BUDGET No 6 TO THE BUDGET
FOR 2003
(SEC(2003)928 and /2; COM(2003)529/2)**

The Commission approved preliminary draft supplementary and amending budget No 6/2003 as set out in SEC(2003)928/2, for transmission to Parliament and the Council. It empowered Ms SCHREYER, in agreement with the PRESIDENT, Mr BARNIER, Mr FISCHLER and Ms WALLSTRÖM, to finalise the explanatory memorandum to the draft supplementary and amending budget before its transmission to Parliament and the Council.

**9. KEY POLITICAL CHALLENGES FOR THE COMMISSION IN THE
MONTHS AHEAD
(SEC(2003)918 to /3)**

The Commission had before it a communication from the PRESIDENT on the major political challenges facing the Commission over the coming months (SEC(2003)918/3), viz.:

- consolidating the present Commission's achievements and preparing the ground for the next: Intergovernmental Conference; future financial perspective; accession

and the building of an inclusive Europe; further work on the European area of freedom, security and justice;

- revitalising the European economy: Lisbon strategy; initiative for growth;
- improving the international unity and coherence of Community action: enlargement/neighbourhood policy; transatlantic relations; global governance.

On the basis of an introduction by the PRESIDENT and presentations by Mr BARNIER, Mr VITORINO and Mr SOLBES, the Commission paid particular attention to the work of the IGC and the opinion it had to deliver under Article 48 of the EU Treaty, and also to questions relating to the economic situation. Following an in-depth discussion and two *tours de table*, the PRESIDENT drew the following conclusions:

- On the Intergovernmental Conference and the opinion to be delivered by the Commission: The Commission confirmed its view that the Convention had produced a satisfactory text and that it would probably be difficult to secure any improvement in the IGC. Nevertheless, the Commission should exploit whatever possibilities for progress might arise. To this end, its contribution should contain concrete, well-targeted suggestions for improvement, set in the context of a long-term vision. Taking into account the ongoing nature of European integration, it should propose mechanisms that would meet future requirements and crises, going beyond what was currently acceptable. In this respect, the political tone of the Commission opinion would be crucial and would have to take account of tactical and strategic aspects.

Based on this approach, the Commission should concentrate on a limited number of key points, such as the composition of the Commission; the use of qualified majority voting; the interinstitutional structure and external relations; the updating of certain policies. On these points, the Commission should present proposals in line

with the work of the Convention and the positions the Commission had taken. The Commission should also be prepared to propose mechanisms enabling the amendment in the future of what could not be amended now (by means of bridging links and decisions by qualified majority) and also, as far as possible, that unanimity and the ratification procedure should not be necessary for revising the Constitution. It was the Commission's duty to see to it that the text that emerged from the IGC, which would reflect compromises acceptable at that stage, should not be set in stone but should be open to later developments. With respect to the composition of the Commission, it should continue to defend its vision (one Commission Member per Member State) and present a specific and practicable solution.

- On the economic situation: It was agreed that, in preparation for the meeting on 10 September, Mr SOLBES would report to the Commission on the present economic situation. Moreover, Mr SOLBES and the Commission Members concerned would table a report on progress on the initiative for growth, including the possibility of speeding up the Lisbon reforms, so as to support economic recovery.

10. DROUGHT - INVITATIONS TO TENDER FOR INTERVENTION CEREALS (C(2003)3095; SEC(2003)935)

The Commission adopted the nine Regulations in C(2003)3095 for publication in the Official Journal. It took note of the information communicated during the meeting by Mr FISCHLER, in support of his note SEC(2003)935, concerning the main measures taken or in the process of being taken in order to remedy the difficult situation facing farmers in many parts of the Union as a result of the extreme drought.

11. RELATIONS WITH NON-MEMBER COUNTRIES

11.1. ANTI-DUMPING PROCEEDING CONCERNING IMPORTS OF COTTON-TYPE BED LINEN ORIGINATING IN PAKISTAN - AD 464 ANTI-DUMPING PROCEEDING CONCERNING IMPORTS OF COTTON-TYPE BED LINEN ORIGINATING IN INDIA - AS 465 (SEC(2003)920 and /2)

The Commission took note of the information note distributed by Mr LAMY (SEC(2003)920/2).

11.2. REQUESTS FOR THE ESTABLISHMENT OF A PANEL ON GMOs (SEC(2003)922)

Mr LAMY referred to the requests made to the WTO by Argentina, Canada and the USA for the establishment of a panel on the EU approach as regards GMOs. He outlined the context and the conditions for defending the Union's position on this matter.

The Commission took note of these explanations and the information supplied by Mr BYRNE on the progress of the examination under way of the requests for authorisation of GMOs.

11.3. ACCESSION OF SAUDI ARABIA TO THE WORLD TRADE ORGANISATION

Mr LAMY reported on the state of the current negotiations.

11.4. SITUATION IN IRAQ

The Commission took note of the information supplied by Mr PATTEN and Mr NIELSON on the latest developments in the situation in Iraq and on ways and means for the Union to participate in the reconstruction of the country.

12. OTHER BUSINESS

12.1. INITIAL ASSESSMENT OF THE POWER CUT IN THE UNITED STATES AND CANADA ON 14 AUGUST COMPARISON OF THE AMERICAN AND EUROPEAN SYSTEMS (SEC(2003)927 and /2)

Ms de PALACIO gave a brief presentation of the main points of the information note SEC(2003)927 and /2, which set out an initial analysis of the power failure in the USA and Canada on 14 August and drew a comparison between the American and European electricity systems. Subject to the necessary precautions, it seemed fair to conclude that the risks of such a failure in Europe were limited, given the characteristics of the European electricity market and the measures designed to ensure its smooth operation.

12.2. FOLLOW-UP TO A STATE AID CASE

Ms de PALACIO referred to the opening of the formal examination procedure laid down in Article 88(2) of the EC Treaty relating to Case N 194/2002 - Germany - *Compensation measures accompanying the introduction of a mileage-based motorway user charge for heavy goods vehicles*, as decided upon by the Commission on 23 July (PV(2003)1622, item 17.1). She reported on her meeting with Mr Stolpe, the German Transport Minister, on Tuesday 26 August, at which agreement had been reached on the following basis:

- confirmation of the Commission's position that it did not contest the right of a Member State to introduce an HGV motorway charging system in compliance with Community law;
- postponement by Germany of the introduction of the user charge to 2 November. A non-compulsory test phase would begin on 31 August to give hauliers a chance to familiarise themselves voluntarily with the system;
- formal commitment by the German Government, by means a decision by the federal Cabinet to be published in the Bulletin of the German Government, to dissociate the planned compensation measure from the charging system and not to introduce the compensation measure without prior Commission authorisation;
- setting-up the following week of a technical working party between the German Government and the Commission to consider all the technical questions bearing on the introduction of the user charge. The transport industry would be involved in this group in an appropriate form.

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The meeting closed at 1250 hours.