



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1626 final

Brussels, 23 September 2003

MINUTES
of the 1626th meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 17 September 2003
(morning)

These minutes were approved by the Commission at its 1627th meeting, held in Strasbourg on 23rd September 2003.

They contain 20 pages.

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Single sitting: Wednesday 17 September (morning)

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

Present:

Mr PRODI	President	Except items 11 to 13
Mr KINNOCK	Vice-President	
Ms de PALACIO	Vice-President	Items 1 to 10
Mr MONTI		
Mr BOLKESTEIN		
Mr SOLBES		
Mr NIELSON		Except items 13 and 14
Mr VERHEUGEN		Except items 12 to 14
Mr LAMY		
Mr BYRNE		Except items 13 and 14
Mr BARNIER		
Ms REDING		
Ms SCHREYER		
Ms WALLSTRÖM		
Mr VITORINO		Except items 12 to 14
Ms DIAMANTOPOULOU		Except items 13 and 14

Absent:

Mr FISCHLER
Mr LIIKANEN
Mr BUSQUIN
Mr PATTEN

The following sat in to represent absent Members of the Commission

Mr PIRZIO-BIROLI	Chef de cabinet to Mr Fischler
Mr SALMI	Chef de cabinet to Mr Liikanen
Mr PAQUET	Deputy Chef de cabinet to Mr Busquin
Mr CHILD	Chef de cabinet to Mr Patten

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 CARVOUNIS	Press and Communication DG	
Mr KEMPPINEN	Commission Spokesman	
Mr DE RYNCK	Spokesman	Item 10
Mr THOMAS	Spokesman	
Ms HOUTMAN	Deputy Chef de cabinet to the President	Item 9
Mr CALLEJA	Chef de cabinet to Ms de Palacio	Item 9
Mr PEREZ MONTES	A member of Ms de Palacio's staff	Item 11
Mr VAN HOOFF	Chef de cabinet to Mr Monti	Item 9
Mr SOUKUP	A member of Mr Monti's staff	Item 9
Ms MANFREDI	A member of Mr Bolkestein's staff	Item 9
Ms ROGER	Chef de cabinet to Mr Barnier	Items 9 and 10
Ms BERGENFELT	A member of Ms Wallström's staff	Items 10 and 11
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino	Item 10
Ms GAGO-FILORI	A member of Mr Vitorino's staff	
Mr LEVI	GOPA	Items 10 and 13
Mr BRAKELAND	Secretariat-General	Item 10
Ms LORENZI	Secretariat-General	Item 11
Mr PONZANO	Secretariat-General	Item 10

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

Before the Commission considered the items on its agenda, the PRESIDENT referred to the tragic death of Ms Anna Lindh, the Swedish Foreign Minister. He paid tribute to her human qualities and her active and courageous commitment to European integration. It was a great loss to all those who had known her and her ideas.

All the Commission Members concurred.

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1. AGENDAS

(OJ(2003)1626/3; SEC(2003)996/2)

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)1626)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 15 September.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1625th MEETING
(10 September)
(PV(2003)1625; PV(2003)1625, Part II)**

The Commission approved the minutes of its 1625th meeting.

4. PARLIAMENT

***PARLIAMENTARY AFFAIRS GROUP
(SP(2003)3097)***

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 11 September (SP(2003)3097).

It paid particular attention to the following:

Interinstitutional relations

(point 1 of the record)

Annual Policy Strategy, implementation and preparation of the Commission's
legislative and work programmes

The Commission approved SP(2003)3092/3 on the assessment of the follow-up to the annual policy strategy for 2004, for transmission to Parliament and the Council.

Preparations for September II and October I part-sessions

(point 2.3 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

- VAN VELZEN report - Re-use and commercial exploitation of public sector documents,
COM(2002)207, 02/0123 (COD)

The Commission adopted the line set out in SP(2003)3030/2 and authorised Mr LIIKANEN to continue contacts with the co-legislators with a view to an agreement at second reading.

1st reading and simple consultation

- WHITEHEAD report - Financing Community actions in support of consumer policy 2004-07,
COM(2003)44, 03/0020 (COD)

The Commission adopted the line set out in SP(2003)3080/2 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to an agreement at second reading.

- VILLIERS report - Investment services and regulated markets,
COM(2002)625, 02/0269 (COD)

The Commission adopted the line set out in SP(2003)3095/3.

- COSTA reports - Speed limitation devices or similar systems of certain categories of motor vehicles,
COM(2003)350, 03/0122 (COD)
Safety belts and restraint systems of motor vehicles
COM(2003)363, 03/0130 (COD)

Anchorage for motor-vehicle safety belts

COM(2003)362, 03/0136 (COD)

The Commission adopted the line set out in SP(2003)3108.

- BERENGUER FUSTER report - Community trade mark,
COM(2003)767, 02/0308 (CNS)

The Commission adopted the line set out in SP(2003)3096.

Non-legislative matters

- GIL-ROBLES GIL-DELGADO / TSATSOS report - European Constitution,
IGC, 03/0902 (CNS)

The Commission took note of SP(2003)3091 on this item.

Empowerment

2nd reading

Under Article 13 of its Rules of Procedure the Commission empowered 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:

- VAN VELZEN report - Re-use and commercial exploitation of public sector documents
(SP(2003)3030/2)
- READ report - MODINIS
(SP(2003)3055)

1st reading and simple consultation

Under Article 13 of its Rules of Procedure the Commission empowered Mr BYRNE, in agreement with the PRESIDENT, Ms de PALACIO and any other Members associated, to adopt an amended proposal on the basis of the line set out in the following document, once Parliament had given its opinion, and transmit it to the Council in accordance with Article 250(2) of the Treaty:

- WHITEHEAD report - Financing Community actions in support of consumer policy 2004-07
(SP(2003)3080/2)

Other matters

(point 8 of the record)

Follow-up to the 2001 discharge

The Commission took note of the updated draft report on the follow-up to the discharge for 2001 (SP(2003)3090) and the table annexed to it showing the forward planning of work in connection with the discharge for 2003/04.

5. PERMANENT REPRESENTATIVES COMMITTEE

COUNCIL AFFAIRS GROUP (CAG)

(SI(2003)903)

The Commission took note of the record of the Council Affairs Group meeting held on Friday 12 September.

It paid particular attention to the following:

Agency in the field of defence capabilities development, research, acquisitions and armaments

Taking note of the interest shown by Coreper in this matter, the Commission agreed, on the basis of appropriate coordination between the Members' Offices and departments concerned, to refine its strategy in order to be able to take a full part in the developments in progress.

Problems in the Council bodies over the granting of negotiating directives

The Commission confirmed the need for coordination between the Members' Offices concerned so as to establish a medium-term strategy and avoid a case-by-case approach.

Amended proposal for a Parliament and Council Directive on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States

With a view to a political agreement by qualified majority at the Council meeting (Competitiveness) on 22 September, the Commission authorised Mr VITORINO to support the Presidency compromise in accordance with the line set out in the note at Annex 2 to SI(2003)903.

Ecopoints judgment of 11 September, Case C-445/00

The Commission considered the legal scope of the Court judgment, which laid down certain conditions for ensuring the legality of empowerment conferred on a Commission Member. It noted that, if such empowerment involved a margin of discretion to enable the Commission to support a compromise reached during a legislative procedure, it should be shown that such a margin of discretion was planned and included in the empowerment decision.

6. MONITORING THE APPLICATION OF COMMUNITY LAW

INFRINGEMENTS - URGENT OR POSTPONED CASES

(SEC(2003)991)

The Commission adopted the decisions in SEC(2003)991.

7. WRITTEN PROCEDURES AND EMPOWERMENT

7.1. WRITTEN PROCEDURES APPROVED

(SEC(2003)997 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 8 and 12 September.

7.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)998)

The Commission took note of written procedures initiated between 8 and 12 September for the adoption of decisions with political implications.

7.3. EMPOWERMENT

(SEC(2003)999 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 8 and 12 September.

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 8 and 12 September, as archived on the "Grefte 2000" (Registry) website.

**7.5. REQUEST BY PORTUGAL FOR UPDATING OF AID FROM THE EU
SOLIDARITY FUND FOR FIRE-RELATED DISASTER
(SEC(2003)1024)**

The Commission decided to empower Ms SCHREYER, in agreement with the PRESIDENT, Mr FISCHLER, Mr BARNIER and Ms WALLSTRÖM, to proceed as set out in SEC(2003)1024.

**8. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2003)1001/3)**

**ADMINISTRATIVE MATTERS
(PERS(2003)122)**

**DG ADMIN/DS - A2 POST OF DIRECTOR
(PERS(2002)146 to /5)**

The Commission had before it applications under Article 29(1)(a), 29(1)(c) and 29(2) of the Staff Regulations for the A2 post of Director of Directorate DS (Security) in the Personnel and Administration DG (PERS(2002)146 to /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 28 and 30 January (PERS(2002)146/4 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, it then decided to appoint Mr Frank ASBECK to the post.

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

9. MONITORING THE APPLICATION OF COMMUNITY LAW

(continued from item 6)

STATE AID - RECAPITULATIVE LIST

(SEC(2003)968)

The Commission adopted the decisions in SEC(2003)968, subject to the following clarifications:

NN 70/2003 *FRANCE*

Aid in favour of Alstom

(C(2003)3236 to /10; SEC(2003)967 and /2)

Mr MONTI outlined developments in this matter and the factors underlying his proposal. He reminded the meeting that Community law did not prevent a Member State from maintaining an undertaking in being as long as the Commission had not taken a decision on the compatibility of the restructuring aid in question, on condition that the measures put in place by the Member State were in conformity with the guidelines on rescue aid.

The Commission took note of this information and observed that the obligation to comply with Community law applied to all Member States. Following an in-depth exchange of views on the institutional, economic and social aspects of this case and noting that contacts were still in progress with the French authorities, the Commission:

- adopted the decision to open proceedings under Article 88(2) EC, as set out in C(2003)3236/9;

- felt that the conditions for a suspension order had been met;
- empowered Mr MONTI, in agreement with the PRESIDENT, to adopt and notify, by 22 September at the latest, the suspension order in C(2003)3236/8, unless the French authorities publicly undertook not to take part in measures that would automatically and irreversibly involve shareholdings in Alstom's own funds without prior Commission approval in accordance with the state aid rules.

**10. OPINION OF THE COMMISSION, PURSUANT TO ARTICLE 48 OF THE
TREATY ON EUROPEAN UNION, ON THE CONFERENCE OF
REPRESENTATIVES OF THE MEMBER STATES' GOVERNMENTS
CONVENED TO REVISE THE TREATIES
(COM(2003)548 to /4; SEC(2003)1010)**

The PRESIDENT set out the main points of the draft opinion before the Commission. This opinion, designed as a constructive contribution to the work of the Conference, highlighted the historic step that would be taken by the Union with the adoption of a Constitution and hoped the Intergovernmental Conference would not call into question the overall balance of the draft Constitution as it had emerged from the Convention. In this spirit, according to the Commission opinion, the task of the Conference should be to improve, clarify and finalise the draft Constitution, particularly as to the composition of the Commission, the use to be made of the unanimity requirement, the revision of the less essential provisions of the Constitution, and questions of economic governance.

The Commission took note of this information and further clarifications supplied by Mr BARNIER and Mr VITORINO. It thanked Mr PONZANO, the Secretariat-General's Task Force and the staff of the Members' Offices concerned for the high quality of the work carried out.

Following an exchange of views on the various aspects of the opinion, the Commission adopted the draft in COM(2003)548/4, subject to the following amendments:

- in the introduction it would be desirable to make clear that, because of the evolutionary nature of European integration, the adoption of this Constitution would be just one step in an ongoing process;
- in paragraph 19 of the draft opinion, the last sentence concerning the administrative status of the European External Action Service would be deleted;
- the text of Annex 3 would be shortened and presented as an example for the organisation of the Commission;
- the possibility should be mentioned of enshrining implementation of the objective of sustainable development in a protocol to be annexed to the Constitution.

Following observations by Mr NIELSON to the effect that Article III-223 of the draft Treaty ought to have included the principle of the neutrality of humanitarian aid, and taking into account the necessary selectivity of the opinion, the Commission took note of Mr NIELSON's intention to continue to put forward arguments in defence of this principle.

11. THE COMMUNITY RESPONSE TO DISASTERS

(SEC(2003)1015 to /5)

Ms WALLSTRÖM introduced the debate by taking stock of the means currently available and the measures taken by the Community (with the aid of, among others, the Environment DG's Civil Protection Response Centre) to deal with various

natural and man-made disasters in recent years. So that the Community could adopt a coherent approach enabling it to react more effectively to disasters, Ms WALLSTRÖM proposed setting up an interdepartmental working party to discuss ideas for possible improvements.

The Commission held a general discussion focusing on:

- the importance of the subsidiarity principle and of identifying the added value of Community action;
- managing the expectations that could be created and the ability to mobilise the financial means needed to meet them;
- the advisability of setting up a European civil protection force;
- the need to put the emphasis on coordinating Member States' efforts and on preventive measures;
- the usefulness of carrying out a study on the insurance systems applied in the Member States;
- possible inclusion in the field of Community action of disasters in non-member countries.

Following this debate, the Commission decided to set up an interdepartmental working party to consider ways and means of strengthening the EU's civil protection capability along the lines set out in SEC(2003)1015/5.

12. COUNCIL MEETINGS

(SI(2003)900)

12.1. INFORMAL MEETING OF MINISTERS FOR ECONOMIC AND FINANCIAL AFFAIRS

(STRESA, 12 AND 13 SEPTEMBER)

Mr SOLBES briefly presented the main points dealt with at the informal meeting of Ministers for Economic and Financial Affairs, particularly the exchange of views on France's budget deficit.

12.2. INFORMAL MEETING OF MINISTERS FOR AUDIOVISUAL POLICY (SYRACUSE, 12 AND 13 SEPTEMBER)

Ms REDING reported on the informal meeting of ministers responsible for the audiovisual media, the agenda for which focused on "Television without frontiers" and at which technological developments in the audiovisual sector, television advertising, and the protection of minors from television programmes containing violence, had also been discussed. Ms REDING intended shortly to put forward new proposals in the audiovisual field and for the Media programme after 2006.

13. RELATIONS WITH NON-MEMBER COUNTRIES

13.1. INFORMATION ON THE OUTCOME OF THE FIFTH WTO MINISTERIAL CONFERENCE (CANCUN, 10 TO 14 SEPTEMBER)

The Commission took note of the information supplied during the meeting by Mr LAMY and agreed to return to this matter in greater detail at its next meeting on the basis of a presentation by Mr FISCHLER and Mr LAMY.

13.2. FIFTH INTERNATIONAL CONFERENCE OF NEW OR RESTORED DEMOCRACIES (ULAN BATOR, 10 TO 12 SEPTEMBER)

The Commission took note of Mr NIELSON's intervention at this conference.

14. OTHER BUSINESS

SWEDISH REFERENDUM ON INTRODUCTION OF THE EURO, 14 SEPTEMBER

The Commission took note of the analysis by Mr SOLBES and Ms WALLSTRÖM of the reasons behind the result of the Swedish referendum and the conclusions to be drawn from it.

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The meeting closed at 1340 hours.