EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2004)1647 final

Brussels, 3rd March 2004

MINUTES

of the 1647th meeting of the Commission

held in Brussels

(Breydel)

on Wednesday 25 February 2004

(morning)

These minutes were approved by the Commission at its 1648th meeting, held in Brussels on 3rdMarch 2004.

They contain 18 pages.

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Single sitting: Wednesday 25 February (morning)

The sitting opened at 0930 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 SOLBES	
Mr NIELSON	
Mr VERHEUGEN	
Mr LAMY	
Mr BARNIER	
Ms SCHREYER	
Mr VITORINO	

Absent:

Mr BUSQUIN

Mr PATTEN

Mr BYRNE

Ms REDING

Ms WALLSTRÖM

The following sat in to represent absent Members of the Commission

Mr CAPOUET	Chef de cabinet to Mr Busquin	
Mr CHILD	Chef de cabinet to Mr Patten	
Mr POWER	Chef de cabinet to Mr Byrne	
Ms HOFFMAN	Deputy Chef de cabinet to Ms Reding	
Ms CARPARELLI	Deputy Chef de cabinet to Ms Wallström	

The following also sat in

Mr MARENCO	Deputy 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 HENIN	Spokesman	
Ms WERNER	Spokeswoman	Item 10
Mr GUSSETTI	A member of the President's staff	
Mr GARCIA PORRAS	A member of Ms de Palacio's staff	
Ms OLIVI	A member of Mr Monti's staff	Item 10
Ms PROUT	A member of Mr Verheugen's staff	Item 10
Mr REDONNET	A member of Mr Lamy's staff	
Ms CORUGEDO STENEBERG	Press and Communication DG	
Mr BRÜCHERT	Budget DG	Item 10
Mr BISARRE	Secretariat-General	Item 10
Mr SERVOZ	Secretariat-General	Item 10
Mr VON WEDEL	Secretariat-General	Item 10
Mr SAGREDO	Secretariat-General	Item 9

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

1. OTHER BUSINESS

DESIGNATION OF CZECH COMMISSIONER

The PRESIDENT reported that agreement had been reached with the Czech authorities on the designation of Mr Pavel TELICKA as Member of the Commission from 1 May. The Commissioner-designate's name would be transmitted immediately to the Council and Parliament. Under the administrative provisions agreed by the Commission at its previous meeting (PV(2004)1646, item 1), Mr TELICKA would "shadow" Mr BYRNE.

2. AGENDAS

(OJ(2004)1647/3; SEC(2004)195/2)

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

3. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2004)1647)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 23 February.

4. APPROVAL OF MINUTES

4.1. SPECIAL MINUTES OF 1645th MEETING (9 and 10 February) (PV(2004)1645, Part II to /4))

The Commission approved the special minutes of its 1645th meeting.

4.2. MINUTES AND SPECIAL MINUTES OF 1646th MEETING (18 February) (PV(2004)1646 and /2; PV(2004)1646, Part II and /2)

The Commission approved the minutes of its 1646th meeting.

5. PARLIAMENT

PARLIAMENTARY AFFAIRS GROUP (SP(2004)673)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 19 February (SP(2004)673).

It paid particular attention to the following:

i) **Preparations for February II part-session**
(point 2.1 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:

1st reading and simple consultation

– FOURTOU report - Intellectual property rights,
COM(2003)46 - 03/0024 (COD)

Further to the authorisation granted to Mr BOLKESTEIN at its previous meeting for the Council debate on this legislative proposal (PV(2004)1646, item 9), the Commission adopted the line set out in SP(2004)663.

– FRAHM report, Persistent organic pollutants,
COM(2003)333 - 03/0119 (COD)

Further to the position approved at its meeting of 3 February (PV(2004)1644, item 12.3) and in order to take account of the compromise agreed in the meantime by the co-legislators, the Commission adopted the line set out in SP(2004)360/3.

– HARBOUR, MEDINA ORTEGA report - Staff Regulations,
COM(2003)721

The Commission adopted the line set out in SP(2004)640.

– HAUG report - System of the Communities' own resources,
COM(2003)366, 03/0131 (CNS)

The Commission adopted the line set out in SP(2004)656.

ii) **Action taken on Parliament's opinions and resolutions**
(point 5 of the record)

The Commission adopted SP(2004)620 on the action taken on Parliament's opinions and resolutions adopted at its January I and II part-sessions, for transmission to Parliament.

iii) **Other matters** (point 8 of the record)

Hearings of the ten new Commission Members

The Commission took note of the information available on the hearings of the ten Commissioners-designate, planned for 13, 14 and 15 April.

6. WRITTEN PROCEDURES AND EMPOWERMENT

6.1. WRITTEN PROCEDURES APPROVED
(SEC(2004)196 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 16 and 20 February.

6.2. SENSITIVE WRITTEN PROCEDURES
(SEC(2004)197)

The Commission took note of written procedures initiated between 16 and 20 February for the adoption of decisions with political implications.

6.3. EMPOWERMENT
(SEC(2004)198 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 16 and 20 February.

6.4. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 16 and 20 February, as archived on the "Greffe 2000" (Registry) website.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2004)199/2)

ADMINISTRATIVE MATTERS
(PERS(2004)32)

7.1. DG EAC - EXECUTIVE DIRECTOR OF THE EUROPEAN TRAINING FOUNDATION
(PERS(2004)33 and /2; C(2004)648)

Having noted the procedure followed for considering the applications received for this post, the Commission:

– adopted the decision listing the candidates proposed for the post of Director of the European Training Foundation, as set out in C(2004)648;

– asked Ms REDING to communicate this decision to the Foundation's Governing Board.

This decision would take effect immediately.

7.2. ESTAT - APPLICATION OF ARTICLE 50 PROCEDURE (SECOND STAGE) WITH RESPECT TO AN A2 OFFICIAL

The Commission continued its discussions on this item, begun on 16 December (PV(2003)1639, Part II).

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr SOLBES, adopted the decision in PERS(2004)34 to apply the second stage of the procedure laid down in Article 50 of the Staff

Regulations with respect to Mr Lothar JENSEN, an A2 official, currently Chief Adviser, Eurostat.

This decision would take effect on 1 May.

The Commission paid tribute to Mr JENSEN's valuable contributions throughout his career, especially on plans to modernise the Commission's administration.

7.3. INITIAL COMMUNICATION UNDER ARTICLE 50 OF THE STAFF REGULATIONS

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

7.4. DG ADMIN - DECISION ON THE CONDUCT OF OFFICIALS AND OTHER STAFF DURING THE EUROPEAN ELECTION CAMPAIGN IN JUNE
(C(2004)602)

The Commission approved the communication and the decision in C(2004)602.

This decision would take effect immediately.

8. ADAPTATION OF IMPLEMENTING RULES FOLLOWING THE REVISION OF THE STAFF REGULATIONS OF OFFICIALS AND THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS OF THE EUROPEAN COMMUNITIES - APPROVAL OF THIRD PACKAGE OF IMPLEMENTING RULES
(SEC(2004)216 to /7)

The Commission approved the communication presented by Mr KINNOCK in SEC(2004)216, /5 and /7. It authorised Mr KINNOCK to hold consultations at interinstitutional level and, if necessary, with the staff representatives. It also asked Mr KINNOCK to table all these texts again for final decision after the conclusion of the necessary consultations.

9. PERMANENT REPRESENTATIVES COMMITTEE

COUNCIL DECISION AUTHORISING THE MEMBER STATES TO SIGN OR RATIFY, IN THE INTEREST OF THE EUROPEAN COMMUNITY, THE 2003 PROTOCOL TO THE CONVENTION ON THE ESTABLISHMENT OF AN INTERNATIONAL FUND FOR COMPENSATION FOR OIL POLLUTION DAMAGE (IOPC)
(SEC(2004)240)

The Commission had before it the question whether to publish in the Official Journal its statement on the Council's adoption of this instrument (see Annex 4 to the record of the CAG of 13 February, SI(2004)112). Designed to provide adequate and speedy compensation for the victims of sea pollution caused by shipwrecks involving serious consequences for the environment, the 2003 protocol to the IOPC Convention would enable the funds available to be substantially increased. In this case, the statement was intended to indicate the Commission's disagreement with

the Council's decision to delay by six months the deadline proposed by the Commission for ratification of the protocol and to make this deadline purely indicative.

Having noted the considerations of substance and those relating to the political sensitivity of the dossier underlying the approach put forward by Ms de PALACIO and in accordance with the opinion given by the Legal Service, the Commission decided to publish its statement in the C Series of the Official Journal. Arrangements would be made for this to appear on the same day as publication of the Council decision.

10. ANNUAL POLICY STRATEGY FOR 2005 (COM(2004)133 to /4; SEC(2004)222)

The PRESIDENT tabled a communication on the annual policy strategy 2005, which formed the first stage of the annual planning round from which the legislative programme and the 2005 budget would emerge. The policy priorities identified were based on the general discussion held by the Commission in December and were in line with the proposed approach for the future financial perspective. Apart from the horizontal priority of the smooth operation of the Union of 25, these priorities were organised around three themes (competitiveness and cohesion; security and European citizenship; external responsibility - neighbourhood policy and partnership). By producing its 2005 annual policy strategy straight away, the Commission would pave the way for a smooth transition to the next Commission, at the same time leaving the new Commission free to make any necessary adjustments in due course. The allocation of human resources for 2005 was intended to be as balanced as possible and sought to meet the most urgent needs arising out of enlargement. Although the Commission would make further efforts to secure the

necessary staff in due course, the problems faced in 2005 could be solved only through redeployment of available human resources, requiring the identification within DGs and departments of non-priority activities that could be postponed or scaled down.

Ms SCHREYER reminded the meeting of the difficulties caused by the present budgetary situation for headings 3, 4 and 5. She pointed to the spirit of cooperation shown by the budgetary authority since the present Commission had taken office, by agreeing to strengthen the Commission's staff according to calculations made by the Commission of the minimum requirements to cope with enlargement (3 900 new posts).

Having noted this presentation, the Commission held an exchange of views covering in particular:

– the problems faced by many departments with the proposed allocation of human resources and the constraints thereby placed on their ability to carry out their tasks and assume their responsibilities (the requirements of the DGs for Enlargement, Economic and Financial Affairs, Regional Policy, Fisheries, Internal Market, Taxation and Customs Union, Competition, and Press and Communication were mentioned in particular here);

– the possibilities of synergy within the RELEX family, particularly between the Development DG and AIDCO;

– the advisability, timetable and practical arrangements for a possible screening exercise of departments' activities in order to identify opportunities for redeploying human resources within the Commission;

– a number of specific aspects concerning financial resources, particularly the appropriations for cooperation with the ACP countries and the Chemicals Agency.

After its discussions, the Commission:

– adopted the annual policy strategy for 2005 in COM(2004)133/4, subject to the amendments proposed by Ms de PALACIO and Ms SCHREYER and agreed during the meeting;

– authorised the PRESIDENT, in agreement with Ms SCHREYER, to finalise the text of the communication for transmission to Parliament and the Council (subject to the deletion of the Annexes and of the Table under item 5.2.4);

– asked Ms SCHREYER to draw up the preliminary draft budget for 2005 on the basis of the resources framework set out in the annual policy strategy for 2005, taking due account of the budgetary guidelines laid down by the budgetary authority.

Given the severe constraints on human resources, the PRESIDENT confirmed the need to identify non-priority activities that could be postponed or gradually abolished as provided for in the conclusions of COM(2004)133/4. He asked Members to undertake this exercise with their departments and to let him have the results in good time for the drawing-up of the preliminary draft budget 2005 in order that the Commission could adopt the whole package at one go.

The Commission also took note of the concerns expressed by Mr VERHEUGEN as to the need to ensure continuity of management of the pre-accession appropriations after 2005. It asked the departments concerned to consider the situation in detail so that in good time, before resources were definitively allocated for 2005, and without pre-empting any decisions on the organisation of departments that the new Commission might take, it could take the decisions necessary to ensure continuity of management.

11. COUNCIL MEETINGS

(SI(2004)132)

GENERAL AFFAIRS AND EXTERNAL RELATIONS

(BRUSSELS, 23-24 JANUARY)

(SI(2004)147; SI(2004)145)

The PRESIDENT reported briefly on the Council's discussion on the presentation of the Commission communication on the Union's future financial framework. Most of the points raised had referred to procedural and timetable aspects. On the substance, there was no change from the Member States' initial positions.

Mr VERHEUGEN reported that the Council had welcomed the Commission's position in support of a settlement of the Cyprus problem under UN auspices. As regards the External Relations part of the Council meeting, he particularly mentioned the discussions on the European neighbourhood policy and on relations with Israel and the Palestinian Authority.

The Commission took note of this information and held an exchange of views, after which it agreed to hold a debate as soon as possible on the neighbourhood strategy with a view to preparing specific proposals in this area. The Commission also thanked the PRESIDENT for organising the seminar *Europe against anti-semitism, for a Union of diversity* on 19 February in Brussels, at which an in-depth and fruitful exchange of views had been held on this sensitive question.

12. RELATIONS WITH NON-MEMBER COUNTRIES

EARTHQUAKES IN IRAN AND MOROCCO

(SEC(2004)239/2)

Mr NIELSON reported on his visit for purely humanitarian purposes to the site of the earthquake at Bam in Iran and on his contacts with the Iranian authorities. He also mentioned the steps taken by ECHO following the earthquake on Tuesday in Morocco.

The Commission took note of this information and of the note SEC(2004)239/2 distributed by Mr NIELSON.

13. OTHER BUSINESS (continued from item 1)

USE OF PESTICIDES IN AGRICULTURE

The Commission took note of the concerns expressed by Mr BARNIER and Ms de PALACIO concerning the use of pesticides in agriculture and their effects on the animal and human food chain. Following a brief exchange of views, it decided to study this question in more detail as soon as possible on the basis of a report by Mr BYRNE.

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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 1130 hours.