



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2005)1709 final

Brussels, 13 July 2005

MINUTES
of the 1709th meeting of the Commission
held in Strasbourg
(Winston Churchill Building)
on Tuesday 5 July 2005
(afternoon)

These minutes were approved by the Commission at its 1710th meeting, held in Brussels on 13 July 2005.

They contain 21 pages.

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Single sitting: Tuesday 5 July (afternoon)

The sitting opened at 1325 hours with Mr Barroso, President, in the chair.

Present:

Mr BARROSO	President	
Ms WALLSTRÖM	Vice-President	Items 1 to 9
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	
Mr KALLAS	Vice-President	
Mr FRATTINI	Vice-President	
Ms REDING		
Mr DIMAS		
Mr ALMUNIA		
Ms HÜBNER		Items 1 to 11.1
Mr BORG		Items 1 to 11.1
Ms GRYBAUSKAITĖ		
Mr POTOČNIK		
Mr FIGEL'		
Mr KYPRIANOU		
Mr REHN		
Mr MICHEL		
Mr KOVÁCS		
Ms KROES		
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		
Mr ŠPIDLA		Items 1 to 11.1
Mr MANDELSON		
Mr PIEBALGS		

(5 July 2005)

Absent:

Mr McCREEVY

The following sat in to represent absent Members of the Commission

Mr POWER Chef de cabinet to Mr McCreevy

The following also sat in

Mr SANTAOLALLA GADEA	Deputy Director-General (acting), Legal Service	
Mr ITALIANER	Deputy Chef de cabinet to the President	
Ms LE BAIL	Commission Spokeswoman	
Ms ASSIMAKOPOULOU	Spokeswoman	
Ms MARTINHO	Chief Adviser in the President's Office	
Ms MARTINEZ ALBEROLA	A member of the President's staff	
Ms CARPARELLI	Deputy Chef de cabinet to Ms Wallström	Item 9
Mr SAGREDO	A member of Mr Barrot's staff	Item 9
Ms LAMELA	Chef de cabinet to Mr Almunia	Item 9
Ms SCOPPIO	A member of Mr Kovács's staff	Item 10
Mr DE BOURBON PARME	A member of Ms Kroes's staff	
Mr OUAKI	A member of Mr Špidla's staff	

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

1. AGENDAS

(OJ(2005)1709/3; SEC(2005)906/2)

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(2005)1709)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 4 July.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1708th MEETING

(29 June)

(PV(2005)1708 and /2; PV(2005)1708, Part II)

The Commission approved the minutes of its 1708th meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

4.1. STATE AID - SPECIFIC CASES

(SEC(2005)924/2)

The Commission adopted the decisions in SEC(2005)924/2.

**4.2. INFRINGEMENTS - REPORT "A" 1/2005 ON ESTABLISHED
INFRINGEMENTS**

(SEC(2005)708; SEC(2005)712)

The Commission adopted the decisions in SEC(2005)712.

5. WRITTEN PROCEDURES AND EMPOWERMENT

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2005)907 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 27 June and 1 July.

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2005)908)

The Commission took note of written procedures initiated between 27 June and 1 July for the adoption of decisions with political implications.

5.3. EMPOWERMENT

(SEC(2005)909 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 27 June and 1 July.

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 27 June and 1 July, as archived on the "Greffé 2000" (Registry) website.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2005)910/2)

ADMINISTRATIVE MATTERS

(PERS(2005)101)

6.1. JRC/I - PUBLICATION OF VACANCY NOTICE FOR THE A*14

***FUNCTION OF DIRECTOR, INSTITUTE FOR HEALTH AND
CONSUMER PROTECTION (ISPRA) (EU-25)***

(PERS(2005)102)

Having noted the information in PERS(2005)101 concerning the procedural context, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr POTOČNIK, authorised the publication, under Article 29(2) of the Staff Regulations, of the vacancy notice in PERS(2005)102.

This decision would take effect immediately.

6.2. DG SANCO/C – PUBLICATION OF VACANCY NOTICE FOR THE A*14

FUNCTION OF DIRECTOR (EU-10)

(PERS(2005)103/2)

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr KYPRIANOU, the Commission authorised the publication, under Article 29(2) of the Staff Regulations, of the vacancy notice in PERS(2005)103/2 for the A*14 function of Director, Directorate C (Public Health and Risk Assessment) in the Health and Consumer Protection DG. This post was reserved for a national of one of the new Member States.

This decision would take effect immediately.

**6.3. DG RELEX – A*14/A*15 FUNCTION OF HEAD OF COMMISSION
DELEGATION IN MOROCCO
(PERS(2004)229 TO/5)**

The Commission had before it applications under Article 29(1a)(i) and (iii) and (2b) and Article 29(2) of the Staff Regulations for the post of Head of the Commission Delegation in Morocco in the External Relations DG (PERS(2004)229, /2 and /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 26 April and 19 May (PERS(2004)229/3 and /4).

The Commission proceeded to compare the applicants' qualifications for the post. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Ms FERRERO-WALDNER, it then decided to appoint Mr Bruno DETHOMAS to the post.

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

**6.4. DG ADMIN - APPLICATION OF THE ARTICLE 50 PROCEDURE
(SECOND STAGE) WITH RESPECT TO AN A*16 OFFICIAL
(PERS(2005)100)**

The Commission continued its discussions on this matter, begun on 9 March 2004 (PV(2004)1649).

On a proposal from Mr KALLAS, in agreement with the PRESIDENT, the Commission adopted the decision in PERS(2005)100, applying the second stage of the procedure laid down in Article 50 of the Staff Regulations with respect to Mr Santiago GOMEZ-REINO, Adviser *hors classe* in the Personnel and Administration DG.

This decision would take effect on 1 January 2006.

7. COMMISSION COMMUNICATION: COHESION POLICY IN SUPPORT OF GROWTH AND JOBS – COMMUNITY STRATEGIC GUIDELINES 2007-13

(COM(2005)299 to /4; SEC(2005)904; SEC(2005)925)

Ms HÜBNER and Mr ŠPIDLA briefly introduced the communication before the Commission.

Ms HÜBNER stated that the aim of the proposed strategic guidelines was to provide the framework for assistance through the Structural Funds for each of the objectives of the future cohesion policy and that these guidelines would serve as a basis for drawing up the national strategic frames of reference and for the related operational programmes. In line with the conclusions of the March 2005 European Council, it was proposed to target resources on a limited number of aid priorities, in particular achievement of the goals of the renewed Lisbon strategy. It was important to press ahead with adoption of the communication, despite the lack of agreement on the 2007-2013 financial perspective, in order to give the Member States and regions time to prepare. The guidelines would be submitted for public consultation and all the parties concerned would be invited to present their observations by 30 September. On the basis of the results of this consultation and after adoption of the reference regulations concerning the structural funds currently being considered by Parliament and the Council, a final version of the guidelines would be submitted to the Commission.

Mr ŠPIDLA noted that the proposed guidelines confirmed the strengthening of the link between cohesion policy and the renewed Lisbon strategy, in line with the integrated guidelines for growth and employment. The guidelines highlighted the

importance of research, innovation and human capital for furthering growth and employment. He reviewed the main actions in this area and emphasised the important role to be played by the European Social Fund.

The Commission took note of these comments. It expressed its support for the approach adopted and its satisfaction that synergies between cohesion policy, the Lisbon objectives as regards growth, employment and research, and environmental considerations were being taken into account, and pointed out that it was important to ensure that the priorities identified were duly reflected in the programmes of the Member States. The Commission also noted that a briefing paper would be put before it to ensure that appropriate information was provided on all aspects of the dossier.

Following this exchange of views, the Commission:

- approved the communication in COM(2005)299/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions;
- took note of the impact assessment in SEC(2005)904 for transmission to the above-mentioned institutions as a staff paper.

8. PROPOSAL FOR A COUNCIL DECISION ON COMMUNITY STRATEGIC GUIDELINES FOR RURAL DEVELOPMENT (PROGRAMMING PERIOD 2007-13)

(COM(2005)304 to /3; SEC(2005)914; SEC(2005)925)

Ms FISCHER BOEL briefly presented her communication, the aim of which was to supply the Member States with a strategic framework and a set of instruments for drawing up their national rural development programmes. Highlighting the

contribution made by the guidelines laid down for implementation of the Gothenburg objectives and of the renewed Lisbon strategy, she pointed to the importance of maintaining the synergies identified in the implementation phase.

After the PRESIDENT had noted the Commission's support for this text, the Commission:

- adopted the proposal for a decision in COM(2005)304/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions;
- took note of the impact assessment in SEC(2005)914 for transmission to the above-mentioned institutions as a staff paper.

9. INTERINSTITUTIONAL RELATIONS

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 1 July (SEC(2005)905).

It paid particular attention to the following points:

9.1. RELATIONS WITH PARLIAMENT

- i) Preparations for July part-session: list of Commission Members attending and handling dossiers at the part-session*
(point 3.2 of the record)

The Commission took note that Mr MICHEL would handle the dossiers of Ms FISCHER BOEL and Mr MANDELSON at the Thursday morning sitting.

While not calling into question the solution found, Ms WALLSTRÖM reminded the meeting that the Commission Members ought to try and organise their agendas so as to be available when the House was sitting, in accordance with the commitments to Parliament. In response to the concerns expressed by certain Commission Members as to the difficulty of reconciling their various obligations and the need to find sufficiently flexible arrangements with Parliament, Ms WALLSTRÖM pointed out that the new framework agreement should make it possible to improve planning and resolve at least some of the problems reported.

The PRESIDENT concluded by urging Commission Members to make every effort to meet the commitments to Parliament, and thanked Mr MICHEL for his willingness to stand in.

ii) Action taken on non-legislative resolutions adopted by Parliament at its May I part-session

(point 3.5.2 of the record)

The Commission adopted responses to the non-legislative resolutions adopted by Parliament at its May I part-session on which the Commission had undertaken to take action (SP(2005)2765/2), for transmission to Parliament.

iii) Participation of Members of Parliament in international conferences – WTO Ministerial Conference – Hong Kong, 13-18 December

(point 3.8 of the record)

The Commission decided to approve the request from President BORRELL to President BARROSO concerning the participation of 18 Members of Parliament at this conference.

iv) Attendance of Commission Members at Question Time from September to December

(point 6.3 of the record)

The Commission approved SP(2005)2798 updating the list of attendance by Commission Members at Question Time, for transmission to Parliament.

9.2. RELATIONS WITH THE COUNCIL

(SI(2005)643)

v) List of sensitive dossiers

(point 2.2 of the record)

Following comments by Ms WALLSTRÖM concerning the *non paper* on the “better lawmaking” dossier drawn up ahead of the informal meeting of Competitiveness Ministers on 11 and 12 July, the Commission took note that Mr VERHEUGEN would add to this document a comprehensive reference to the three institutions concerned in this dossier (Parliament, Council and Commission).

vi) Directive 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment, with reference to decaBDE

(point 2.3 of the record)

The Commission authorised its departments to follow the line set out in SI(2005)639 concerning approval of an amendment to the third recital of the Commission proposal.

vii) Proposal for a Council decision concerning proposals on amendments to the Annexes to the POPs Conventions

(point 2.4 of the record)

The Commission authorised its departments to follow the line set out in SI(2005)640 on approval of a change in the legal basis of the Commission's proposal, in order to facilitate an agreement.

9.3. OTHER MATTERS

viii) Hearing by Parliament's Committee on Budgetary Control concerning revision of the Regulation on the European Anti-Fraud Office (12 and 13 July)

Mr KALLAS informed the Commission of this hearing and presented the ideas he intended to put forward at it concerning OLAF's status and functioning.

The Commission took note of this information and held a brief exchange of views concerning access to information and the line to be taken when Commission Members were informed by OLAF of the opening of an inquiry in their areas of responsibility.

The PRESIDENT concluded the discussion by emphasising the delicate balance to be struck between the need for OLAF to protect the confidentiality of the information needed in its investigations and the need for the Commission Members concerned to take all the appropriate measures once the Office provides them with the minimum information they required in order to act.

10. PROPOSAL FOR A COUNCIL DIRECTIVE ON PASSENGER CAR RELATED TAXES

(COM(2005)261 to /6; SEC(2005)809 to /4; SEC(2005)832)

Mr KOVÁCS outlined the main points of his proposal. Its aim was to improve the functioning of the internal market by abolishing the current tax obstacles to transfers of passenger cars from one Member State to another. The proposal also helped to promote a sustainable environment by restructuring the tax base of registration and road taxes so as to include a component directly linked to carbon dioxide emissions. This proposal, which would be neutral in budgetary terms as a result of the system for offsetting revenue, was not intended to harmonise tax rates and did not lay any obligation on the Member States to introduce new taxes. Referring to the preparatory process, Mr KOVÁCS pointed out that the proposal was first made in a Commission communication in 2002 and was the result of a long and extensive consultation process involving Parliament, the Council and all the players concerned. After thanking his colleagues and the departments for their cooperation in supporting the proposal, Mr KOVÁCS concluded by pointing out its benefits for car manufacturers and consumers.

In the light of these observations, the Commission considered the dossier and underlined the following points:

- the positive nature of the proposal, which contributed to the smooth functioning of the single market and to improving the environment and security;
- the expected benefits for consumers and the motor industry;
- the potential impact on the relevant tax structures in the Member States, particularly those with high tax rates; the need for an impact assessment for all the Member States, including the new members;
- the need for a good briefing paper in support of the proposal.

In response to the observations made, Mr KOVÁCS confirmed his intention of extending the existing impact assessment in order to take into account the situation of all the Member States, and undertook to transmit a substantiated briefing paper to his colleagues.

In conclusion, the Commission:

- approved the proposal for a Directive in COM(2005)261/6 for transmission to Parliament, the Council and the Economic and Social Committee;
- took note of the impact assessment in SEC(2005)809/4, which would also be transmitted to the above-mentioned institutions as a staff paper.

11. RELATIONS WITH NON-MEMBER COUNTRIES

11.1. VISIT BY THE PRESIDENT TO AFRICA (24 TO 27 JUNE)

The PRESIDENT reported on his recent trip to Africa, during which he visited South Africa, Mozambique and the Democratic Republic of the Congo. He spoke of the strong traditional links between Europe and Africa and referred to the Commission decision to give special priority to Africa and to the communication being prepared by Mr MICHEL on the strategy vis-à-vis Africa for the autumn. He pointed out that the Commission's agenda was in line with that of the G8 summit at Gleneagles and the UN summit in September in New York, and reported the impressions gained during his meetings with the heads of state and government and representatives of civil society in these three African countries. Emphasising the specific economic, political and linguistic features of these countries and the need to strengthen the partnership between the EU and Africa, he also referred to the strong message that he was able to deliver to this effect at the opening of the 5th

summit of the African Union in Sirte (Libya) on 4 July. The PRESIDENT also spoke of his wish to raise awareness among young people in Europe of the future problems and challenges facing Africa.

The Commission took note of this information and held an extensive exchange of views, focusing particularly on the following points:

- the need for political dialogue with the African countries while maintaining, where necessary, a firm and well-considered stance vis-à-vis certain countries whose political regimes failed to respect the fundamental principles of democracy and human rights;
- the need to ensure that the numerous initiatives and ideas currently being proposed in favour of aid to Africa are effectively followed up and properly and efficiently prepared;
- the Commission's central role as coordinator in this field;
- the importance of a targeted communication strategy giving priority to the specific measures being pursued by the EU in Africa (for example, the emphasis placed at the Tunis summit on the possibilities offered by European information technologies to reduce the digital divide facing Africa).

11.2. VISIT BY MR KALLAS TO UKRAINE

(SEC(2005)938)

The Commission took note of the information note distributed by Mr KALLAS.

11.3. ITER NEGOTIATIONS**(SEC(2005)939)**

Commenting on his information note on this subject, Mr POTOČNIK reported on the background and the latest developments in the difficult negotiations which had led to the choice of Cadarache as the site for the international thermonuclear nuclear fusion reactor (ITER). He noted that the results of the negotiations could be regarded as satisfactory for all the parties concerned and emphasised the importance of this project as a model of international scientific cooperation and its potential both commercially and in terms of job creation. Mr POTOČNIK concluded by thanking the Commission Members and the departments involved in preparing this dossier.

The Commission held a brief exchange of views concerning its role in promoting major European scientific projects (Galileo, ITER, etc.) and the need to raise the profile in the public's eyes of its activities and of the Union's specific contributions to this area.

The PRESIDENT concluded by emphasising the importance of this project, which demonstrated the Union's effectiveness when it is united and inspired by a political will shared by all the Member States.

The Commission also took note of the information note distributed by Mr POTOČNIK.

12. OTHER BUSINESS

12.1. RATIFICATION OF THE UN CONVENTION ON TOBACCO CONTROL

Mr KYPRIANOU pointed out that on Thursday 30 June the Luxembourg Presidency had deposited the instruments for ratification by the EU of the United Nations Framework Convention on Tobacco Control. He briefly reviewed the background and content of the dossier, emphasising that the EU would henceforth be able to take part as a full member in all the activities connected with this Convention, which had come into force on 28 February.

The Commission took note of this information.

12.2. PREPARATIONS FOR INFORMAL MEETING OF HEADS OF STATE AND GOVERNMENT

The PRESIDENT referred to the decision of the UK Presidency to organise an informal meeting of heads of state and government in the autumn on the future of the EU. One contribution to the discussions was to be a Commission report on the “sustainability of the European social model”, requested by the March European Council. He invited all the Commission Members who so wished to submit their contributions to him for the drafting of this document, which would be coordinated by his Office with the assistance of the departments concerned. With a view to preparing for this informal summit, the PRESIDENT pointed out that the Commission would hold a preliminary policy discussion, in the form of a working lunch, after its meeting on 20 July and also a seminar on Tuesday 20 September. These meetings would provide the Commission with an opportunity to make its contribution to the vision of the future of the European project, fine-tune its priorities in the light of present circumstances and take stock of the situation as regards the financial perspective.

The Commission took note of this information and mentioned some of the points that would have to be taken into account in its deliberations. Referring to the discussions on the financial perspective and the current debate on the future of the common agricultural policy, the Commission held an exchange of views in the light of the information supplied orally by Ms FISCHER BOEL and the briefing paper distributed by her concerning the reform of the CAP.

In conclusion, the PRESIDENT thanked Ms FISCHER BOEL for the information supplied to the Commission, which provided everyone with the necessary facts for responding to the arguments put forward concerning the situation of the CAP. With regard to the financial perspective, the Commission's position remained unchanged, the objective being to support the efforts of the Council Presidency in the search for the best possible compromise.

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

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The meeting closed at 1550 hours.