



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2005)1711 final

Brussels, 1st September 2005

MINUTES

of the 1711th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 20 July 2005

(morning)

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These minutes were approved by the Commission at its 1712th meeting, held in Brussels on 1st September 2005.

They contain 39 pages.

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Single sitting: Wednesday 20 July (morning)

The sitting opened at 0905 hours with Mr Barroso, President, in the chair.

Present:

Mr BARROSO	President
Ms WALLSTRÖM	Vice-President
Mr VERHEUGEN	Vice-President
Mr BARROT	Vice-President
Mr KALLAS	Vice-President
Mr FRATTINI	Vice-President
Ms REDING	
Mr DIMAS	
Mr ALMUNIA	
Mr BORG	
Ms GRYBAUSKAITE	
Mr POTOČNIK	
Mr FIGEL	
Mr KYPRIANOU	
Mr REHN	
Mr KOVÁCS	
Ms KROES	
Ms FISCHER BOEL	
Mr McCREEVY	
Mr ŠPIDLA	
Mr MANDELSON	
Mr PIEBALGS	

Absent:

Ms HÜBNER

Mr MICHEL

Ms FERRERO-WALDNER

The following sat in to represent absent Members of the Commission

Ms CYGAN	Deputy Chef de cabinet to Ms Hübner
Ms WEYAND	Chef de cabinet to Mr Michel
Mr CHILD	Chef de cabinet to Ms Ferrero-Waldner

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr VALE DE ALMEIDA	Chef de cabinet to the President	
Mr CARVOUNIS	Director-General, Press and Communication	
Ms LE BAIL	Commission Spokeswoman	
Mr KREUZHUBER	Spokesman	Items 15 and 20
Mr DE RYNCK	Spokesman	Item 18
Ms HELFFERICH	Spokeswoman	
Ms TORRES	Spokeswoman	
Mr ITALIANER	Deputy Chef de cabinet to the President	Items 1 to 18
Mr CABRAL	Adviser <i>hors classe</i> in the President's Office	
Mr ANNERBERG	Chef de cabinet to Ms Wallström	Item 19
Ms GMINDER	A member of Ms Wallström's staff	Item 19
Mr TEMPEL	Chef de cabinet to Mr Verheugen	Items 15 and 20
Mr DANIELSSON	Deputy Chef de cabinet to Mr Verheugen	Item 15
Ms de COINCY	A member of Mr Verheugen's staff	Item 15
Mr LE BRET	Chef de cabinet to Mr Barrot	Item 18
Mr CHENEVIER	A member of Mr Barrot's staff	Item 18
Mr SCHELLEKENS	Deputy Chef de cabinet to Mr Dimas	Item 17
Ms SCHREIBER	Chef de cabinet to Mr Špidla	Item 15

Mr LIDDLE	A member of Mr Mandelson's staff	
Mr MOAVERO MILANESI	Deputy Secretary-General	Items 1 to 4
Ms DAY	Director-General, Environment	Item 17
Mr RUETE	Enterprise and Industry DG	Item 15
Mr SERVOZ	Secretariat-General	
Ms ALVAREZ CUARTERO	Secretariat-General	Item 10
Mr VOLLPRECHT	Secretariat-General	Item 10

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

1. AGENDAS

(OJ(2005)1711/3; SEC(2005)966/2)

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

2. 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 27 July at 1700 hours. Any requests for amendments must reach the Registry by 1700 hours on 26 July. Approval of these minutes would be reported in the minutes of the 1712th meeting.

**3. WEEKLY MEETING OF CHEFS DE CABINET
(SEC(2005)1711)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 18 July.

**4. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1710th MEETING
(13 July)
(PV(2005)1710 and /2; PV(2005)1710, Part II)**

The Commission approved the minutes of its 1710th meeting.

5. INTERINSTITUTIONAL RELATIONS

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 15 July (SEC(2005)954).

It paid particular attention to the following points:

RELATIONS WITH PARLIAMENT

i) Preparations for September I part-session - legislation

(point 1.2.1 of the record)

In accordance with the rules in force, the Commission authorised the Commission Members responsible, in agreement with the PRESIDENT, Ms WALLSTRÖM and any other Members associated, to take a position on Parliament's amendments to its proposals.

It paid particular attention to the following:

Codecision procedure - 2nd reading

- ÖRY report – Exposure of workers to the risks arising from physical agents (optical radiation) – COM(1992)560, 1992/0449D/COD

The Commission adopted the line set out in SP(2005)2823 and /2 and authorised Mr ŠPIDLA to continue contacts along these lines with Parliament and the Council with an eye to an agreement at second reading compatible with framework Directive 89/391/EEC and with the principle of proportionality, as reflected in the Presidency compromise.

- SJÖSTEDT report – Management of waste from the extractive industries – COM(2003)319, 2003/0107 (COD)

The Commission adopted the line set out in SP(2005)2966 and /2 and authorised Mr DIMAS to continue contacts along these lines with an eye to a possible compromise before the plenary session to facilitate a conclusion at second reading.

Codecision procedure - 1st reading

- BARSI-PATAKY report – Satellite radionavigation (Galileo) – COM(2004)477, 2004/0156(COD)

The Commission adopted the line set out in SP(2005)2963.

- DE SARNEZ report – Protection of minors and human dignity in relation to the competitiveness of the audiovisual and information services industry – COM(2004)341, 2004/0117(COD)

The Commission adopted the line set out in SP(2005)2967 and authorised Ms REDING to continue contacts along these lines with a view to facilitating a conclusion at second reading through the negotiation of a common position that would be acceptable to Parliament.

Simple consultation

- KREISSL-DÖRFLER report – Procedure for granting and withdrawing refugee status – COM(2000)578, 2000/0238(CNS)

The Commission adopted the line set out in SP(2005)2968 and /2 and authorised Mr FRATTINI to support this line in the Council's discussions.

ii) Empowerment

Under Article 13 of its Rules of Procedure the Commission empowered the Members concerned, in agreement with the PRESIDENT, Ms WALLSTRÖM 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:

- ÖRY report – Exposure of workers to the risks arising from physical agents (optical radiation) – SP(2005)2823 and /2
- SJÖSTEDT report – Management of waste from the extractive industries – SP(2005)2966 and /2.

iii) Action taken on opinions and resolutions adopted by Parliament at the June I and II part-sessions

(point 3.5.2 of the record)

The Commission adopted SP(2005)2882 on the action taken on Parliament's opinions and resolutions adopted at its June I and II part-sessions, for transmission to Parliament.

iv) Action taken on opinions and resolutions adopted by Parliament at the July part-session

(point 3.5.3 of the record)

The Commission adopted SP(2005)2923 on the action taken on Parliament's opinions and resolutions at its July part-session, for transmission to Parliament.

v) *Approval of action taken on Parliament resolutions*

(point 3.5.4 of the record)

The Commission adopted SP(2005)2828 on the action taken on Parliament's non-legislative and own-initiative resolutions, for transmission to Parliament.

vi) *Approval of action taken on the resolution on dangerous substances adopted at the April I part-session*

(point 3.5.5 of the record)

The Commission adopted and decided to transmit to Parliament SP(2005)2971 on the action taken on Parliament's non-legislative resolution on the draft Commission decision amending the Annex to the Dangerous substances Directive, adopted at the April I part-session.

vii) *Commission communication to Parliament - Compliance by the Commission with its obligations under the "right of scrutiny" procedure (Article 8 of the committee procedure Decision)*

(point 3.5.5 of the record)

The Commission adopted SP(2005)2970/2 for transmission to Parliament.

viii) *Participation of Members of Parliament in international conferences: high-level plenary meeting of the UN General Assembly, New York, 14-16 September*

(point 3.7 of the record)

The Commission decided to give a positive answer to the request from President BORRELL to President BARROSO concerning the participation of seven Members of Parliament in this conference, specifying that a maximum of four members would be included as observers in the Community delegation.

6. WRITTEN PROCEDURES AND EMPOWERMENT

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2005)967 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 11 and 15 July.

6.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2005)968)

The Commission took note of written procedures initiated between 11 and 15 July for the adoption of decisions with political implications.

6.3. EMPOWERMENT

(SEC(2005)969 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted as set out in SEC(2005)969 to /6.

6.4. EMPOWERMENT RELATING TO THE DECISION TO GRANT SOLIDARITY FUND AID TO SLOVAKIA

(SEC(2005)1009)

The Commission empowered Ms HÜBNER, in agreement with Ms GRYBAUSKAITĖ and Ms FISCHER BOEL, as set out in SEC(2005)1009.

**6.5. REPLACEMENT OF THE GENERAL EMPOWERMENT FOR
ADOPTION AND TRANSMISSION OF CERTAIN DOCUMENTS AS
PROVIDED BY THE FINANCIAL REGULATION
(SEC(2005)1008)**

The Commission empowered the Members responsible for the budget and audit, respectively, as set out in SEC(2005)1008.

6.6. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 11 and 15 July, as archived on the "Grefe 2000" (Registry) website.

**7. COMMUNICATION IMPLEMENTING THE TRANS-EUROPEAN
NETWORKS
(SEC(2005)965 to /3; SEC(2005)990)**

**8. PRELIMINARY DRAFT COMMISSION DECISION ESTABLISHING THE
TRANS-EUROPEAN TRANSPORT NETWORK EXECUTIVE AGENCY
PURSUANT TO COUNCIL REGULATION (EC) NO 58/2003
(SEC(2005)1011 and /2; SEC(2005)965/2; SEC(2005)990)**

**9. COMMISSION DECISION DESIGNATING SIX EUROPEAN
COORDINATORS FOR CERTAIN TRANS-EUROPEAN TRANSPORT
NETWORK PROJECTS
(C(2005)2754 and /2; SEC(2005)965/2; SEC(2005)990)**

The Commission:

- took note of the communication in SEC(2005)965/3;

- authorised the transmission to the Committee for Executive Agencies, for an opinion, of the preliminary draft Commission decision establishing a Trans-European Transport Network Executive Agency with the task of managing co-financing granted for the trans-European transport network (SEC(2005)1011 and /2), as well as the corresponding financial statement and a report on the cost/benefit analysis. The Trans-European transport network financial assistance committee would also be informed;
- took note that, on the basis of the opinion to be delivered by the Committee for Executive Agencies, a draft decision would be put before it establishing a Trans-European Transport Network Executive Agency;
- decided that the first line of the mission statement in Annex II to C(2005)2754/2 would read: "on the basis of Commission decision No (...), the European Commission has designated you ... ";
- adopted, subject to that amendment, the decision in C(2005)2754/2 designating a first series of six European coordinators for trans-European transport network projects, and authorised Mr BARROT to send the mission statements to the persons designated.

The Commission also took note of the PRESIDENT's decision:

- to set up a steering group of Commission Members, chaired by the Commission Member responsible for transport and made up of the Commission Members responsible for the information society, environment, economic and monetary affairs, regional policy, budget and energy;
- to ask this steering group, under the authority of the Commission Member responsible for transport, to define a common approach for the best way to coordinate the various Community interventions in support of the completion of the trans-European transport, energy and telecommunications networks;

- to ask this steering group, under the authority of the Commission Member responsible for transport, to present by the end of 2006 an assessment of this new method and the prospects for 2007-13.

10. MONITORING THE APPLICATION OF COMMUNITY LAW

10.1. STATE AID

(SEC(2005)1005; SEC(2005)1021)

The Commission adopted the decisions in SEC(2005)1021.

10.2. INFRINGEMENTS

Urgent or deferred cases

(SEC(2005)998)

The Commission adopted the decisions in SEC(2005)998, subject to the following clarifications:

Case 2005/2072 France

Designation of universal service providers

Decision: Letter of formal notice

The Commission also took note of comments by Mr BARROT on this matter.

11. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2005)970/2)

ADMINISTRATIVE MATTERS

(PERS(2005)106)

11.1. DG ESTAT - AMENDMENT OF ORGANISATION CHART

(SEC(2005)1010)

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr ALMUNIA, the Commission approved the amendment of the organisation chart of Eurostat as set out in SEC(2005)1010, involving the creation of the following new directorates or units:

- Directorate ESTAT/G *Business statistics*;
- unit ESTAT/A/6 *Training and document administration*;
- unit ESTAT/B/1 *IT Systems for statistical production*;
- unit ESTAT/D/5 *Remunerations and pensions*;
- unit ESTAT/G/1 *Structural business statistics*;
- unit ESTAT/G/4 *Energy statistics*.

This decision would take effect on 16 September.

11.2. DG/ESTAT/D - A*14 POST OF DIRECTOR (EU-10)

(PERS(2004)146 to /4)

The Commission had before it applications under Article 29(2) of the Staff Regulations for the function of Director, Directorate D (Economic and regional statistics) of Eurostat, reserved for a national of one of the new Member States (PERS(2004)146 and /4).

The Commission took note of the opinions of the Consultative Committee on Appointments of 15 April and 12 May (PERS(2004)146/2, /3 and /4).

The Commission proceeded to compare the candidates' qualifications for the post. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr ALMUNIA, it then decided to appoint Ms Inna STEINBUKA to the post.

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

11.3. DG ECHO - A*14-A*15 POST OF DIRECTOR
(PERS(2004)197 TO /7)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for a post of Director in the Humanitarian Aid DG (PERS(2004)197 to /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 3 May and 14 June (PERS(2004)197/6 and /7).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr MICHEL, it then decided to appoint Mr Steffen STENBERG-JENSEN to the post.

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

**11.4. DG SANCO/A - A*14/A*15 POST OF DIRECTOR
(PERS(2004)190 to /3)**

The Commission had before it applications under Article 29(1)(a) (i) and (iii) of the Staff Regulations for the post of Director, Directorate A (General affairs) in the Health and Consumer Protection DG (PERS(2004)190).

The Commission took note of the opinions of the Consultative Committee on Appointments of 23 December 2004 and 3 March 2005 (PERS(2004)190/2 and /3).

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 KALLAS, in agreement with the PRESIDENT and Mr KYPRIANOU, it then decided to appoint Mr Robert SHOTTON to the post.

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

**11.5. DG SANCO/CP - A*14/A*15 POST OF CHIEF ADVISER (EU-25)
(PERS(2004)143 to /3)**

The Commission had before it applications under Article 29(1)(a) and 29(2) of the Staff Regulations for the function of Chief Adviser in the Health and Consumer Protection DG (PERS(2004)143).

The Commission took note of the opinions of the Consultative Committee on Appointments of 2 December 2004 and 28 April 2005 (PERS(2004)143/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr KYPRIANOU, it then decided to appoint Ms Isabelle BENOLIEL to

the post. She would be required to occupy this function for a minimum of 18 months.

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

11.6. DG REGIO/I - A*14/A*15 POST OF DIRECTOR
(PERS(2005)62 to/ 3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director, Directorate I (Audit), in the Regional Policy DG (PERS(2005)62).

The Commission took note of the opinions of the Consultative Committee on Appointments of 6 and 7 July (PERS(2005)62/2 and /3).

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 KALLAS, in agreement with the PRESIDENT and Ms HÜBNER, it then decided to appoint Mr Nicholas MARTYN to the post.

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

11.7. DG ADMIN/D - A*14/A*15 POST OF DIRECTOR
(PERS(2005)56 TO A/4)

The Commission had before it applications under Article 29(1)(a) (i) and (iii) of the Staff Regulations for the post of Director, Directorate D (Resources) in the Personnel and Administration DG (PERS(2005)56).

The Commission took note of the opinions of the Consultative Committee on Appointments of 1 and 23 June and 7 July (PERS(2005)56/2, /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 KALLAS, in agreement with the PRESIDENT, it then decided to appoint Mr Alain SCRIBAN to the post.

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

**11.8. PUBLICATIONS OFFICE – CLOSURE OF THE SELECTION
PROCEDURE FOR AN A*14/A*15 POST OF DIRECTOR AND
ENGAGEMENT OF A 2b TEMPORARY STAFF MEMBER
(PERS(2005)20 to /4)**

Having noted the procedure followed as set out in PERS(2005)106, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr FIGEL', decided:

- to terminate selection procedure COM/211/04;
- to authorise the engagement of a temporary member of staff under Article 2(b) of the Conditions of Employment of Other Servants of the European Communities to carry out the function of Director, Publications and Dissemination Directorate, in the Publications Office.

These decisions would take effect immediately.

OTHER MATTERS

**11.9. DG ADMIN – COMPULSORY TRAINING AS PART OF THE
CERTIFICATION PROCEDURE: CONTENT AND IMPLEMENTING
RULES
(SEC(2005)1000)**

The Commission took note of the information in SEC(2005)1000.

**11.10. ACTIVITIES OF Mr KINNOCK AFTER LEAVING THE COMMISSION
(SEC(2005)1001)**

The Commission, after considering the nature of the activities planned by Mr KINNOCK, noted that they were not connected with his former portfolio and were compatible with Article 213(2), last paragraph, of the EC Treaty.

**12. COMMISSION OPINION ON THE EXISTENCE OF AN EXCESSIVE
DEFICIT IN PORTUGAL - APPLICATION OF ARTICLE 104(5) OF THE
EC TREATY**

(SEC(2005)991; SEC(2005)995; SEC(2005)997)

**13. COMMISSION RECOMMENDATION FOR A COUNCIL DECISION ON
THE EXISTENCE OF AN EXCESSIVE DEFICIT IN PORTUGAL -
APPLICATION OF ARTICLE 104(6) OF THE EC TREATY**

(SEC(2005)992; SEC(2005)995; SEC(2005)997)

**14. PROPOSAL FOR A COUNCIL RECOMMENDATION TO PORTUGAL
WITH A VIEW TO BRINGING AN END TO THE SITUATION OF AN
EXCESSIVE GOVERNMENT DEFICIT - APPLICATION OF
ARTICLE 104(7) OF THE EC TREATY**

(SEC(2005)994/2; SEC(2005)995; SEC(2005)997)

Mr ALMUNIA presented the dossier, outlining the previous stage of the excessive deficit procedure concerning Portugal (viz. the adoption on 22 June of a report under Article 104(3) EC, on which the Economic and Financial Committee had subsequently issued an opinion) and the content of the three instruments he was now proposing that the Commission adopt. The adjustment recommended to the

Portuguese authorities to bring the excessive deficit situation to an end required action of a structural nature, not one-off ad hoc measures. His proposal to extend until 2008 the deadline for the correction of the situation met the need to preserve the credibility of the excessive deficit procedure by means of a realistic recommendation. The dossier, originally planned for the October meeting of the Council (Economic and Financial Affairs), should be considered by the informal Council in September, enabling the Portuguese parliament to take account of it when considering the national budget for 2006.

The PRESIDENT stated that the deadline for the correction of the excessive deficit was based on the deficit forecast for 2005, which exceeded the reference value of 3%.

After taking note of this information, the Commission:

- adopted, under Article 104(5) of the EC Treaty, an opinion concerning the existence of an excessive deficit in Portugal (SEC(2005)991);
- adopted, under Article 104(6) of the EC Treaty, a recommendation for a Council Decision on the existence of an excessive deficit in Portugal (SEC(2005)992);
- adopted, under Article 104(7) of the EC Treaty, a recommendation for a Council recommendation to Portugal with a view to bringing the excessive deficit situation to an end (SEC(2005)994/2);
- decided to transmit these documents to the Council.

**15. COMMISSION COMMUNICATION TO THE COUNCIL AND
PARLIAMENT: COMMON ACTIONS FOR GROWTH AND
EMPLOYMENT – THE COMMUNITY LISBON PROGRAMME
(COM(2005)330 to /4; SEC(2005)981/3; SEC(2005)988)**

Introducing the debate, the PRESIDENT pointed to the importance of the Community programme now before the Commission. This showed, at a time when the Member States were in the process of drawing up their national programmes, the Commission's commitment and desire to supply, under the renewed Lisbon strategy, a concrete answer to the challenges confronting the Union, with the aim of promoting sustainable growth and job creation, compatible with its commitments on solidarity and cohesion.

Mr VERHEUGEN introduced the dossier, stressing that this programme should contribute to the practical achievement of the proposals the Commission had made in its 2 February communication on the renewed Lisbon strategy (COM(2005)24, *Working together for growth and jobs – A new start for the Lisbon Strategy*). The integrated guidelines for growth and jobs (COM(2005)141), adopted by the Commission on 12 April and later endorsed by the Council with minor amendments, had served as a basis for drawing up the present programme and would also do so for the national programmes now being drawn up. The Commission was continuing its consultations with Member States in order to support them in drawing up their national programmes, since the Community programme as well as the national programmes should be available at the beginning of the autumn, on a harmonised basis and proceeding from the same priorities. After emphasising the particularly important role that the structural, cohesion and rural development policies and also research and innovation would play in the creation of growth and jobs, Mr VERHEUGEN concluded by indicating that this communication was intended to meet the essential expectations of the European

public vis-à-vis the Union concerning the creation of an economic and social framework providing for wellbeing and the quality of life.

After taking note of these comments, the Commission held an in-depth discussion, covering in particular the following questions:

- the content and structure of the body of the document and of the annexes;
- the external readability of the actions listed in the annexes and the case for an additional element of prioritisation; in this connection and without prejudice to the necessary prioritisation, the need to highlight the non-exhaustive nature of the actions set out in the annexes and the possibility that these could be supplemented by any other actions that might be needed as time went on and the possibility of presenting other initiatives and proposals even if they did not appear in the annexes, as failure to include them would not rule out their adoption;
- the need for sound presentation and communication on this item: the importance for the Commission of taking this opportunity to present to the European public the challenges of the dossier as well as the benefits to be gained by carrying out the Lisbon Strategy; in this connection, in terms of external communication, the advisability of gradually abandoning references to the Lisbon strategy, an essentially interinstitutional notion, in favour of the more meaningful concept of a strategy for growth and employment;
- the usefulness of starting active debates in the Member States in support of the dossier, particularly through the personal involvement of Commission Members and with the assistance of the Commission representations;
- the possibility of contacting and bringing together the national coordinators in order to help consolidate the partnership between the institutions and the Member States;

- the case for the Commission holding an in-depth discussion in the autumn on the present economic situation.

During the discussion, the Commission agreed to make the following amendments to COM(2005)330/4:

- the first sentence of the first paragraph of Section 1 (page 2 of the English version of COM(2005)330/4) to read: *The message at the heart of the Lisbon partnership for growth and employment is one of confidence and determination: the challenges facing Europe's society, economy and environment are surmountable.;*
- the last paragraph of section 2 (page 4 of the English version of COM(2005)330/4) to read: *Despite the absence of an agreement on the financial perspectives for the years 2007-13, the Commission counts on an agreement in the near future and urges the Member States to decide on adequate financing of actions*

Subject to these amendments, the Commission approved the communication in COM(2005)330/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. It took note of the annexes in SEC(2005)981/3, which would also be transmitted to the same institutions as a staff paper.

The Commission congratulated Mr VERHEUGEN on the quality of the preparation of this dossier and decided to study the possibility of holding a seminar at the beginning of the autumn on the present economic situation, to which outside economists might be invited in order to inform the discussions. It asked Mr ALMUNIA to take charge of the preparations, relying in particular on the Bureau of European Policy Advisers and on the basis of contributions in particular

from Mr VERHEUGEN and Mr MANDELSON as regards their respective dossiers.

The possibility of inviting all the national programme coordinators to a meeting would also be considered, as would the possibility of having Commission Members attend the presentations of the national programmes.

16. TRANSLATION IN A MULTILINGUAL COMMUNITY: MANAGING SUPPLY AND DEMAND IN THE COMMISSION UNTIL THE END OF 2006 (SEC(2005)984 to /3; SEC(2005)989)

Mr FIGEL introduced the communication he was tabling. He reminded the meeting of past efforts made to improve the management of supply and demand for translations, which had become particularly necessary at the time of the last enlargement. In order to deal with the volume of translation requests generated by the addition of nine new Community languages and the difficulties of recruiting enough qualified translators quickly, the Commission had adopted an action plan in May 2004 to bring translation supply and demand into balance, involving a series of transitional measures for the language arrangements applied to Commission documents as well as their length, valid until the end of 2006 (SEC(2004) 638/6). The present communication was therefore a mid-term assessment. Mr FIGEL reported that the results at this stage were fairly positive. Both demand and supply were now well under control. The objective set for 2005 for the recruitment of translators had almost been achieved, and would be fully met in September. The transitional measures relating to demand, thanks to the self-discipline shown by departments and Members' Offices, had enabled, as a beneficial secondary effect, the production of documents that were more concise and hence easier to communicate to the outside world. The Translation DG had also begun important

training initiatives to improve the quality of translations, in particular where the languages of the new Member States were concerned, and was already making preparations for the planned accession of Bulgaria and Romania, based on the experience of the 2004 enlargement. Mr FIGEL gave details of proposed amendments to the action plan, intended to better meet the expectations of the users of translations. In the autumn he would be tabling a more general communication on multilingualism.

The Commission took note of this information and approved the communication in SEC(2005)984/3. More particularly, it:

- took note of the existing gap between translation capacity and demand, as noted in the communication;
- approved the action plan and associated measures set out at item 4; these would enter into force on the date of their adoption by the Commission;
- asked the Director-General, Translation, jointly with the Secretary-General, to implement this action plan and see that it was monitored regularly;
- noted that the Commission Member responsible for multilingualism would report regularly to the Commission on progress;
- decided that it would re-examine the situation at the end of the transitional period.

**17. GENERAL DEBATE: THEMATIC STRATEGIES FOR THE
ENVIRONMENT – THE NEXT GENERATION OF ENVIRONMENT
POLICY**

(SEC(2005)996; SEC(2005)1007)

The PRESIDENT introduced the Commission's general debate on the basis of the information note distributed by Mr DIMAS. The debate was opportune and valuable, and sought to define the parameters of a consensus within the Commission on the approach to be followed as regards thematic strategies for the environment. The European public attached great importance to environment policy, which also contributed to the general objective of solidarity (agreed by the Commission as part of its strategic objectives for 2004–09) and, if correctly targeted, offered a wide positive potential for growth and employment. It was important to assess the advantages expected of the planned thematic strategies in the light of their costs, particularly financial costs, and to ensure compliance with the principles agreed under the *Better lawmaking* approach. The PRESIDENT asked the Commission to approach the present general debate from a wide perspective, on the understanding that the Commission was required only to give a view on the general approach advocated by Mr DIMAS, without going into detail on the various thematic strategies planned.

Mr DIMAS reminded the meeting that the presentation, at the appropriate time, of the seven thematic strategies constituted the fulfilment of a political and legal commitment made by the Commission to Parliament and the Council when the sixth environment action programme was adopted. The aim was also to modernise the Community environment policy by making it more effective and cost-efficient and by targeting it towards the achievement of the goals of the renewed Lisbon strategy. Emphasising that the thematic strategies had been conceived in such a way as to reconcile the long-term aims of sustainable environment with those of the Lisbon Strategy for growth and employment, Mr DIMAS pointed out that these

political objectives were not mutually exclusive, and noted that certain countries, including several Member States, could show clear examples of success in this area. The thematic strategies had been prepared according to the principles of the *Better lawmaking* approach, and special attention had been and would continue to be paid to compliance with the subsidiarity and proportionality principles and to the impact of the various legislative proposals planned.

The Commission held an in-depth exchange of views, during which it confirmed its commitment to an ambitious environment policy as the cornerstone of sustainable development and the preservation of the quality of life for future generations. Thus, the Commission must find the best ways and means of combining the imperative of environmental protection with the objectives of promoting competitiveness, growth and employment, as set out in the renewed Lisbon strategy. To this end, each of the planned thematic strategies should be considered on its own merits and must be exhaustively analysed in terms of scope, impact, cost and timetable.

Besides the above aspects, the various comments highlighted, among other things:

- the accelerating pace of threats to the environment and the urgency of tackling them;
- the need to take account of the interest consistently shown by the public - and echoed by Parliament – in committed Union action on the environment;
- the need to consider environment policy as an investment in terms of social policy, health, innovation and research. In this connection, the need to put into perspective certain costs of the planned thematic strategies for certain industries with the incentive that these strategies would also generate benefits for the Union's environmental industries;
- the need to keep in mind the benefits, particularly in financial terms, to be gained from a preventive approach, compared with the need to repair certain

major damage to the environment, and also to consumers; conversely, the need to take account of the fact that, in some cases, certain marginal benefits for the environment could incur particularly high costs and, consequently, would not be proportional to the corresponding benefits;

- the driving role played by the Union as regards environmental protection and the international community's expectations in this matter;
- the lessons to be drawn from the large number of infringement proceedings against Member States for non-compliance with Community environment law;
- the need to comply with the principle of proportionality, particularly with a view to avoiding certain situations of paralysis that could arise at national level;
- the need to come up, in due course, with appropriate transitional solutions, particularly for the new Member States;
- the importance of the environment as a value and an integral part of the European heritage and the European model of society;
- the usefulness of comparing the approach planned under the thematic strategies with the *acquis* and the policies of non-member countries, such as the United States, Japan or China;
- the need to take into account the international implications of the Union's environment policy;
- the significance of the efforts to be made in education and training with a view to meeting, in due course, the need for increased public awareness on this issue.

Following the Commission's general debate, the PRESIDENT drew the following conclusions:

- the Commission confirmed the importance of the environment policy, which contributed to the objective of solidarity sought by the Commission. The Union should maintain its role as leader in this matter, and the objectives for competitiveness and the environment must not be seen as being in conflict with each other;
- the Commission agreed to press ahead with the thematic strategies. They would be considered on a case-by-case basis, and this decision would not prejudge the final position on any of them;
- the Commission should make sure these initiatives were in line with the objectives of the Lisbon Strategy for competitiveness, and priority should be given to the options whose impact on growth and employment was as positive as possible;
- while bearing in mind the Union's international leadership position as regards environment policy, attention must be paid to the impact of the proposals on the Union's international competitiveness;
- without calling into question the importance of the thematic strategies in the context of implementation of the Community action programme for the environment and so as to be able to justify the final decisions to be taken, these would have to be carefully prepared and should demonstrate that the Commission was fully aware of their overall impact on the Union's wider strategic priorities. It was important to avoid and to correct the errors of the past and to strike the right balance between realism and ambition;
- in drawing up the proposals, Mr DIMAS would take care to seek the right balance between the legislative and non-legislative initiatives, between means (tools and instruments) and objectives, with special attention to proportionality,

and between intervention at European level and compliance with the subsidiarity principle.

The PRESIDENT concluded by noting the quality of the Commission's debate. The intention had never been to postpone or delay this package, but to lay down the best possible conditions for the best possible result, in such a way that the proposals presented by the Commission were shared by all. He thanked Mr DIMAS for the work done up to now, and assured him of the Commission's support for further work along the lines of the debate and the conclusions reached.

**18. REVISED PROPOSAL FOR A COUNCIL AND PARLIAMENT
REGULATION ON PUBLIC PASSENGER TRANSPORT SERVICES BY
RAIL AND BY ROAD
(COM(2005)319 to /6; SEC(2005)990)**

Mr BARROT presented the dossier he was tabling, which aimed to lay down arrangements for the intervention of the competent authorities in the public service sector in land-based passenger transport. The present proposal, which was a revised version of a previous proposal in this field that had been blocked in the Council since 2002, aimed for the gradual liberalisation of the sector, by supplying a secure framework adapted to the requirements of the local authorities to enable them to organise their public transport and to finance public services. In accordance with Parliament's request, the text enshrined local authorities' freedom of choice to supply their local transport themselves or to decide to use a specialised external operator. In the latter case, except in a number of precisely defined situations, public service contracts would be put out to tender. The scheme included transitional periods and a reciprocity clause. Mr BARROT concluded by

emphasising the balanced and realistic nature of his proposal, which followed many political and technical contacts and consultations with interested parties.

Having taken note of this information, the Commission held an in-depth discussion, covering the following questions in particular:

- the case for opting for a gradual liberalisation of the market as proposed or for working for a more ambitious approach;
- the various arguments for and against the freedom offered to the competent authorities to award contracts directly in the field of regional and long-distance railway services;
- the operation and value of the reciprocity clause;
- whether or not to update the impact study accompanying the initial 2002 proposal, which had been drawn up in a different market situation and in a Union of 15 Member States and which could be regarded as incomplete in relation to the present proposal;
- the link between the present dossier and the horizontal discussions in progress under the authority of Mr McCREEVY concerning concessions and public contracts; the risk of prejudging, by presenting this sectoral proposal, any amendments that might be proposed following those discussions;
- the likely reception of this revised proposal by Parliament and the Council; its hoped-for effects on the situation of the third railway package.

Following this exchange of views, the PRESIDENT noted that this was a special case compared with other proposals. It was important for the Commission to take advantage of the political moment to progress discussions on the basis of the new proposal. Adoption of the new text would enable the applicable law to be adapted to what was the practice in the majority of Member States and at the same time

guarantee legal consistency with the package of proposals adopted at the Commission's 1710th meeting (PV 1710, items 13 to 15) concerning all transport except land transport. The fact that the proposal was designed to transpose the case law of the Court of Justice in *Altmark*, interpreting provisions of primary law, also made this a special case. At all events, this proposal, on account of these specific details, could not set a precedent for the Commission's approach to impact studies for legislative proposals being discussed or adopted by Parliament or the Council. As regards concessions and public contracts, and without ignoring the arguments put forward during the meeting, particularly by Mr McCREEVY, the PRESIDENT considered that the specific nature of the transport sector and of the proposal argued for its adoption without waiting for the horizontal analysis in progress, since primary law (Article 70 *et seq.* of the EC Treaty) gave the transport sector a special status.

Following this discussion, the Commission:

- noted that the present proposal did not prejudge the discussions in progress under the authority of Mr McCREEVY and that the award of contracts would have to comply with the public procurement rules, where applicable;
- decided that the last sentence of item 2.2 of the explanatory memorandum (page 7 of COM(2005)319/6) should read: "The traditional national operators had benefited from this development by acquiring participation in new markets, either in their own countries (e.g. RATP, the urban transport operator in Paris, in Mulhouse and Clermont-Ferrand) or in other countries (such as NS, the national railway operator in the Netherlands, which has won the contract for urban railway transport in Liverpool).";
- subject to the above amendment, adopted the proposal for a Regulation in COM(2005)319/6 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

19. ACTION PLAN TO IMPROVE COMMUNICATING EUROPE BY THE COMMISSION

(SEC(2005)985 to /8; SEC(2005)987)

Ms WALLSTRÖM briefly presented the communication she was tabling. She thanked Commission Members and their Offices and departments for their cooperation in the preparation of this first element of an overall communication policy. This was an internal action plan laying down concrete measures to be taken within the Commission to improve the Commission's ability to communicate on Europe. In the autumn, Ms WALLSTRÖM would be moving on to a second stage, putting before the Commission a global communication strategy in the form of a White Paper.

The PRESIDENT, reminding the meeting that communication remained one of the Commission's major priorities, stated that both elements of the communication policy (the internal action plan and the White Paper) constituted a follow-up to the Commission seminar in April. The action plan showed a welcome realism, and he felt it should enable solid progress to be made as regards communication.

In the light of this information, the Commission:

- approved the Commission action plan on improving the communication of Europe, as set out in SEC(2005)985/5, /7 and /8;
- took note of the indicative resource requirements set out in the financial statement with a view to the allocation of resources for 2006 and of the annual policy strategy 2007, on the basis of an overall assessment of Commission resources allocated to communication, in order to implement the action plan at local level by strengthening the representations;

- decided to transmit the action plan, for information, to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

20. RELATIONS WITH NON-MEMBER COUNTRIES

20.1. VISIT BY Ms REDING TO THE UNITED STATES (13 – 16 July) ***(SEC(2005)1023)***

The Commission took note of the information note distributed by Ms REDING.

20.2. INFORMAL WTO MINISTERIAL MEETING ON THE DOHA DEVELOPMENT AGENDA (DALIAN, 11–12 JULY) ***(SEC(2005)1028)***

The Commission took note of the information note distributed by Ms FISCHER BOEL and Mr MANDELSON.

20.3. VISIT BY THE PRESIDENT AND Mr MANDELSON TO CHINA

It was noted that the PRESIDENT and Mr MANDELSON would be reporting on their visit following the Commission's working lunch that Wednesday on an initial exchange of views on the future of Europe in preparation for the Commission's contribution to the informal meeting of Heads of State and Government in the autumn.

20.4. VISIT BY Ms FERRERO-WALDNER TO BRAZIL, URUGUAY AND PERU (11–15 JULY) ***(SEC(2005)1026)***

The Commission took note of the information note distributed by
Ms FERRERO-WALDNER.

21. OTHER BUSINESS

EXAMINATION OF LEGISLATIVE PROPOSALS IN PROCESS OF ADOPTION, AS PART OF THE BETTER LAWMAKING EXERCISE

It was noted that Mr VERHEUGEN would be giving an update on this matter at the
Commission's working lunch.

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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 1335 hours.