



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2005) 1721 final

Strasbourg, 15 November 2005

MINUTES
of the 1721st meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 9 November 2005
(morning)

PV(2005) 1721 final

CONTENTS

Attendance list	5-8
1. AGENDAS (OJ(2005) 1721/3; SEC(2005)1384/2).....	9
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2005)1721).....	9
3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1720TH MEETING (25 OCTOBER) (PV(2005) 1720; PV(2005)1720, PART II).....	9
4. MONITORING THE APPLICATION OF COMMUNITY LAW.....	9
4.1. STATE AID - RECAPITULATIVE LIST (SEC(2005)1460 and /2; (SEC(2005)1430).....	9
4.2. INFRINGEMENTS – DRAFT COMMUNICATION ON IMPLEMENTATION OF ARTICLE 228 OF THE EC TREATY (SEC(2005)1345 to /3; SEC(2005)1427).....	9
5. WRITTEN PROCEDURES AND EMPOWERMENT	10
5.1. WRITTEN PROCEDURES APPROVED (SEC(2005)1385 et seq.).....	10
5.2. SENSITIVE WRITTEN PROCEDURES (SEC(2005)1386 and /2)	10
5.3. EMPOWERMENT (SEC(2005)1387 et seq.)	10
5.4. DELEGATION AND SUBDELEGATION OF POWERS.....	10
6. LAUNCH OF A EUROPEAN TRANSPARENCY INITIATIVE (SEC(2005)1300 TO /6; SEC(2005)1301; SEC(2005)1323; SEC(2005)1416; SEC(2005)1466)	11
7. WORLD SUMMIT ON THE INFORMATION SOCIETY (SEC(2005)1390 TO /3).....	11
8. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2005)1388)	11
8.1. DG PRESS/B - A*14-A*15 FUNCTION OF DIRECTOR (PERS(2005)81 to /4).....	11
8.2. MOBILITY OF SENIOR MANAGEMENT STAFF (SEC(2005)1472 and /2).....	12

9. INTERINSTITUTIONAL RELATIONS	18
9.1. <i>LEGISLATIVE MATTERS</i>	18
9.2. <i>COUNCIL MEETINGS (SI(2005) 976)</i>	21
9.3. <i>RELATIONS WITH PARLIAMENT</i>	24
10. STRATEGY PAPER ON ENLARGEMENT 2005 (COM(2005)561 TO /4; (SEC(2005)1433 AND /2; (SEC(2005)1435; SEC(2005)1436).....	24
11. COMMISSION OPINION ON THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA'S APPLICATION FOR MEMBERSHIP OF THE EUROPEAN UNION (COM(2005)562 TO /4; (SEC(2005)1425 TO /3; (SEC(2005)1429 AND /2; SEC(2005)1436)	24
12. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA (COM(2005)557 AND /2) SEC(2005)1425 TO /3; SEC(2005)1434; (SEC(2005)1435; SEC(2005)1436)	24
13. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH ALBANIA (COM(2005) 553 AND /2; (SEC(2005)1421 AND /2; SEC(2005)1434; SEC(2005)1436)	25
14. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH BOSNIA AND HERZEGOVINA (COM(2005) 555 AND /2; (SEC(2005)1422 AND /2; SEC(2005)1434; SEC(2005)1436).....	25
15. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE ACCESSION	

PARTNERSHIP WITH CROATIA (COM(2005) 556 AND /2; (SEC(2005)1424 AND /2; SEC(2005)1434; SEC(2005)1436)	25
16. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH SERBIA AND MONTENEGRO INCLUDING KOSOVO AS DEFINED BY THE UNITED NATIONS SECURITY COUNCIL RESOLUTION 1244 OF 10 JUNE 1999 (COM(2005) 558 AND /2; (SEC(2005)1423 AND /2; SEC(2005)1428 TO /3; SEC(2005)1434; SEC(2005)1436)	26
17. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE ACCESSION PARTNERSHIP WITH TURKEY (COM(2005)559 TO /3; SEC(2005)1426 TO /3; SEC(2005)1434; SEC(2005)1436).....	26
18. ENLARGEMENT PACKAGE 2005: PROPOSAL TO CHANGE THE NAME OF THE PARTNERSHIP WITH CROATIA FROM “EUROPEAN PARTNERSHIP” TO “ACCESSION PARTNERSHIP” (COM(2005)563 AND /2; SEC(2005)1436).....	26
19. TRENDS IN THE MEMBER STATES (SEC(2005)1463).....	31
20. RELATIONS WITH NON-MEMBER COUNTRIES	32
20.1. <i>NEGOTIATIONS ON THE DOHA DEVELOPMENT AGENDA</i>	32
20.2. <i>ENERGY COMMUNITY BETWEEN THE EUROPEAN COMMUNITY AND THE COUNTRIES OF SOUTH-EAST EUROPE (SEC(2005)1462)</i>	32
21. OTHER BUSINESS.....	33
21.1. <i>DEVELOPMENTS ON THE OIL MARKETS AND ACTION TAKEN IN RESPONSE TO HIGH OIL PRICES (SEC(2005)1458)</i>	33
21.2. <i>SITUATION IN CERTAIN SUBURBS IN FRANCE</i>	33

Single sitting: Wednesday 9 November 2005 (morning)

The sitting opened at 0944 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	
Ms HÜBNER	
Mr BORG	
Ms GRYBAUSKAITĖ	
Mr POTOČNIK	
Mr FIGEL'	
Mr REHN	
Mr MICHEL	
Mr KOVÁCS	
Ms KROES	
Ms FISCHER BOEL	
Mr McCREEVY	
Mr ŠPIDLA	
Mr PIEBALGS	

Absent:

Mr KYPRIANOU

Ms FERRERO-WALDNER

Mr MANDELSON

The following sat in to represent absent Members of the Commission

Mr SCHINAS	Chef de cabinet to Mr Kyprianou
Mr CHILD	Chef de cabinet to Ms Ferrero-Waldner
Mr FRASER	Chef de cabinet to Mr Mandelson

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr VALE DE ALMEIDA	Chef de cabinet to the President	
Ms LE BAIL	Commission Spokeswoman	
Ms RAMPI	Spokeswoman	
Ms NAGY	Spokeswoman	Items 10 to 18
Ms CORUGEDO STENEBOERG	Press and Communication DG	
Mr ITALIANER	Deputy Chef de cabinet to the President	
Mr CABRAL	Adviser hors classe in the President's Office	Item 9
Ms MARTINHO	Chief Adviser in the President's Office	Items 10 to 18
Mr ELLIS	A member of the President's staff	Items 10 to 18
Mr HOLOLEI	Chef de cabinet to Mr Kallas	Item 8
Mr RAHUOJA	A member of Mr Kallas's staff	Item 8
Mr PESONEN	Chef de cabinet to Mr Rehn	Items 10 to 18
Mr FRUTUOSO MELO	Deputy Chef de cabinet to Mr Rehn	Items 10 to 18
Mr FILORI	A member of Mr Rehn's staff	Items 10 to 18
Ms GRABBE	A member of Mr Rehn's staff	Items 10 to 18
Ms SCHREIBER	Chef de cabinet to Mr Špidla	
Ms WENDT	A member of Mr Mandelson's staff	
Mr CHENE	Director-General, Personnel & Administration	Item 8
Ms SOUKA	Personnel and Administration DG	Item 8

Mr BARBASO	Acting Director-General, Enlargement DG	Items 10 to 18
Mr PASCUAL BREMON	Enlargement DG	Items 10 to 18
Mr MOAVERO-MILANESI	Deputy Secretary-General	Item 8
Ms BUGNOT	Secretariat-General	Item 9
Mr SERVOZ	Secretariat-General	Item 9
Mr BORCHARDT	Secretariat-General	Item 9
Mr LEARDINI	Secretariat-General	Item 9
Mr DE GRAAF	Secretariat-General	Item 9
Mr SANDLER	Secretariat-General	Item 9

Secretariat: Mr O’SULLIVAN, Secretary-General, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General, and Mr KERSTING, Unit Head in the Secretariat-General.

1. AGENDAS

(OJ(2005) 1721/3; SEC(2005)1384/2)

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)1721)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 7 November.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1720th MEETING
(25 October)**

(PV(2005) 1720; PV(2005)1720, Part II)

The Commission approved the minutes of its 1720th meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

4.1. STATE AID - RECAPITULATIVE LIST

(SEC(2005)1460 and /2; (SEC(2005)1430)

The Commission adopted the decisions in the recapitulative list (SEC(2005) 1460/2).

**4.2. INFRINGEMENTS – DRAFT COMMUNICATION ON
IMPLEMENTATION OF ARTICLE 228 OF THE EC TREATY**

(SEC(2005)1345 to /3; SEC(2005)1427)

The Commission approved the broad lines of the policy set out in SEC(2005)1345/3. It noted that, on this basis, the Member States' legal experts would be consulted informally on the main aspects of the approach adopted, before the draft notice was referred back to it for final adoption.

5. WRITTEN PROCEDURES AND EMPOWERMENT

5.1. *WRITTEN PROCEDURES APPROVED*

(SEC(2005)1385 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 24 October and 4 November.

5.2. *SENSITIVE WRITTEN PROCEDURES*

(SEC(2005)1386 and /2)

The Commission took note of written procedures initiated between 24 October and 4 November for the adoption of decisions with political implications.

5.3. *EMPOWERMENT*

(SEC(2005)1387 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 24 October and 4 November.

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 24 October and 4 November, as archived on the "Grefte 2000" (Registry) website.

6. LAUNCH OF A EUROPEAN TRANSPARENCY INITIATIVE

(SEC(2005)1300 to /6; SEC(2005)1301; SEC(2005)1323; SEC(2005)1416; SEC(2005)1466)

The Commission approved the communication set out in SEC(2005)1300/5 and /6, supplemented by the note distributed as SEC(2005)1466, and decided to launch a European transparency initiative as set out in these documents. The Commission also took note of the report drafted by the interdepartmental working party on this initiative (SEC(2005)1301).

7. WORLD SUMMIT ON THE INFORMATION SOCIETY

(SEC(2005)1390 to /3)

The Commission approved the communication in SEC(2005)1390/2.

8. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2005)1388)

ADMINISTRATIVE MATTERS

(PERS(2005)134)

8.1. DG PRESS/B - A*14-A*15 FUNCTION OF DIRECTOR

(PERS(2005)81 to /4)

The Commission had before it applications for the post of Director of Directorate B (Communication, Media and Services) in the Press and Communications DG, published under Article 291(1)(a)(i) and (iii) of the Staff Regulations (PERS(2005) 81 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 22 and 29 September (PERS(2004)81/3 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 Ms WALLSTRÖM, it then decided to appoint Ms Ylva TIVEUS to the post.

This decision would take effect on a date to be determined.

8.2. MOBILITY OF SENIOR MANAGEMENT STAFF
(SEC(2005)1472 and /2)

The PRESIDENT and Mr KALLAS presented the decisions it was proposing to the Commission under the arrangements for mobility of officials in top management positions (Directors-General, Deputy Directors-General, Heads of Delegations at grades A*16/A*15 and Advisers hors classe), in line with the rules adopted by the Commission in October 2004.

The PRESIDENT thanked Mr KALLAS and his cabinet and departments for their close cooperation in the lengthy process of preparing this package, which had ensured a high degree of confidentiality of all the work up to that very morning. He went on to outline the criteria on which the proposed decisions were based: merits and competences, including cooperative and managerial merits and competences; geographical and gender balance. He stated that all the proposed decisions had been approved by the persons directly concerned and by their Commissioners as well as by himself and Mr KALLAS. He emphasised the importance he attached to the Commission improving the gender balance in senior management and made particular reference to the fact that under the proposed decisions, the Commission was to have a woman Secretary-General for the first time. He also drew attention to the appointment of a Director-General to head the Bureau of European Policy Advisers (BEPA) and to the role to be played by BEPA, which would benefit the entire Commission and its departments.

Mr KALLAS explained that in addition to the seventeen appointments proposed, the plan was to empower him, in agreement with the PRESIDENT

and the Commission Member directly concerned, to approve the vacancy notices for a number of top management posts. He confirmed the need to publish these notices urgently and said that for most of the vacancies published internally, the selection process could be concluded early in 2006.

During its exchange of views, the Commission reviewed the following points:

- the means that the Commission could employ in order to make progress in the short and medium term towards a better gender balance in top management posts;
- the presentation of this package of decisions to the press and the outside world;
- the geographical balance with regard to Directors-General.

After its discussion, the Commission decided:

- to create the following new functions:
 1. Director-General of the Bureau of European Policy Advisers (BEPA);
 2. Deputy Director-General for Energy in the Energy and Transport DG;
 3. Deputy Director-General of the Agriculture and Rural Development DG;
 4. Deputy Director-General of the Education and Culture DG;
 5. Adviser hors classe in the Research DG (a function created for the duration of the specific decision reassigning the official mentioned below);
 6. Adviser hors classe in the External Relations DG (a function created for the duration of the specific decision reassessing the official mentioned below);

7. Adviser hors classe in the Secretariat-General (a function created for the duration of the specific decision reassigning the official mentioned below).
- to abolish the following functions:
 1. Adviser hors classe in the Agriculture and Rural Development DG (a post currently vacant);
 2. Adviser hors classe in the Personnel and Administration DG following the departure of Mr GOMEZ REINO on 1 January 2006.

The Commission also decided to make the following reassignments and appointments:

- Mr SILVA RODRIGUEZ was reassigned to the Research DG and appointed its Director-General with effect from 1 January 2006;
- Mr VAN DER PAS was reassigned to the Employment, Social Affairs and Equal Opportunities DG and appointed its Director-General with effect from 1 January 2006;
- Mr LAMOUREUX was reassigned to the Secretariat-General, appointed adviser hors classe, with effect from 1 January 2006, and placed at the disposal of the PRESIDENT, who would decide on his duties;
- Mr CARL was reassigned to the Environment DG and appointed its Director-General with effect from 21 November 2005;
- Mr MITSOS was appointed adviser hors classe in the Research DG with effect from 1 January 2006, and placed at the disposal of the Commission Member responsible for science and research, who would decide on his duties;
- Ms QUINTIN was reassigned to the Education and Culture DG and appointed its Director-General with effect from 1 January 2006;

- Ms DAY was reassigned to the Secretariat-General and appointed Secretary-General with effect from 21 November 2005;
- Mr O’SULLIVAN was reassigned to the Trade DG and appointed its Director-General with effect from 21 November 2005;
- Ms LE BAIL was appointed Deputy Director-General in the Press and Communication DG with immediate effect, following the formal conclusion of the selection procedure COM/162/05 relating to this function, and was considered to have temporarily performed this function from 13 October 2004 to 12 October 2005;
- Mr DEMARTY was appointed Director-General of the Agriculture and Rural Development DG with effect from 1 January 2006;
- Mr ZOUREK was appointed Director-General of the Enterprise and Industry DG with immediate effect;
- Mr SCHENKEL was appointed Director-General of the Joint Research Centre with immediate effect;
- Mr LEIGH was reassigned to the Enlargement DG and appointed its Director-General with effect from 1 January 2006;
- Mr GARCIA MORAN was appointed Director-General of the Informatics DG with immediate effect;
- Mr MOAVERO MILANESI was reassigned to the Bureau of European Policy Advisers and appointed its Director-General with effect from 1 January 2006;
- Mr BARBASO was reassigned to the Energy and Transport DG and appointed Deputy Director-General for Energy with effect from 1 January 2006;

- Ms LE BAIL was reassigned to the Enterprise and Industry DG and appointed its Deputy Director-General, with effect from 21 November 2005;
- Mr ZEPTEK was appointed adviser hors classe in the External Relations DG with effect from 1 July 2006.

The Commission decided:

- to empower the Commission Member responsible for administration, in agreement with the PRESIDENT and the Commission Member(s) directly concerned, to adopt the following vacancy notices and to publish them internally under Article 29(1)(a)(i) and (iii) of the Staff Regulations:

1. Director-General of the Energy and Transport DG (function vacant as a result of the new assignment of Mr LAMOUREUX);
2. Director-General of the Press and Communication DG;
3. Director-General of the Internal market and Services DG (function vacant after the retirement of Mr SCHAUH on 1 July 2006);
4. Deputy Director-General of the Agriculture and Rural Development DG (function vacant as a result of the new assignment of Mr DEMARTY);
5. Deputy Director-General of the Joint Research Centre (function vacant as a result of the new assignment of Mr SCHENKEL);
6. Deputy Director-General of the Competition DG;
7. Deputy Director-General of the Informatics DG (function vacant as a result of new assignment of Mr GARCIA MORAN);
8. Deputy Director-General of the Energy and Transport DG (function vacant after the retirement of Mr DE ESTEBAN on 1 August 2006);
9. Deputy Director-General of the Research DG;

10. Deputy Secretary-General (function vacant as a result of the new assignment of Mr MOAVERO MILANESI);
 11. Deputy Director-General of the External Relations DG (function vacant as a result of the new assignment of Mr LEIGH);
 12. Deputy Director-General of the Press and Communication DG (function vacant as a result of the new assignment of Ms LE BAIL).
- to empower le Commission Member responsible for Administration, in agreement with the PRESIDENT and the Commission Member(s) directly concerned, to adopt the following vacancy notices and to publish them externally (functions reserved for EU-10 recruitment), under Article 29(2) of the Staff Regulations:
1. Deputy Director-General in the Enlargement DG (function vacant as a result of the new assignment of Mr BARBASO);
 2. Deputy Director-General of the Information Society and Media DG;
 3. Deputy Director-General of the Agriculture and Rural Development DG;
 4. Deputy Director-General of the Competition DG (function vacant following the retirement of Mr ROCCA);
 5. Deputy Director-General of the Education and Culture DG.

Other aspects of this mobility package for officials in senior management posts were contained in SEC(2005) 1472/2, the entire text of which was approved by the Commission.

The PRESIDENT and all the Commission Members expressed their gratitude to Mr O'SULLIVAN and Ms LE BAIL for their outstanding services in the exercise of their functions of Secretary-General and Commission Spokeswoman.

The President announced the appointment of Mr LAITENBERGER as Commission Spokesman from 21 November 2005.

9. INTERINSTITUTIONAL RELATIONS

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 28 October (SEC(2005)1376).

It paid particular attention to the following points:

9.1. LEGISLATIVE MATTERS

i) Preparations for November I part-session

(point 1.2 of the record)

The Commission, in accordance with the rules in force, authorised the Commission Members responsible, in agreement with the PRESIDENT, Ms WALLSTRÖM and any other Members concerned, to take a position on Parliament's amendments to its proposals. It paid particular attention to the following:

Codecision – 1st reading

- DE VEYRAC report – Information of air transport passengers on the identity of the operating carrier – COM(2005)48, 05/0008 (COD)

The Commission adopted the line set out in SP(2005)4241 and /2 and authorised Mr BARROT to continue contacts with Parliament and the Council with a view to securing agreement at first reading.

- EVANS report – Rights of persons with reduced mobility when travelling by air – COM(2005)47, 05/0007 (COD)

The Commission adopted the line set out in SP(2005)4242 and authorised Mr BARROT to continue contacts with Parliament and the Council with a view to securing agreement at first reading.

- TOIA report – Social security schemes relating to workers and to members of their families moving within the Community – COM(2004)830, 04/0284 (COD)

The Commission adopted the line set out in SP(2005) 4243 thus making possible agreement at first reading.

- CHICHESTER report – Extension in 2006 of the programme for the dissemination of good practices and monitoring ICT take-up COM(2005)347, 05/0144 (COD) (SP(2005)4247).

The Commission noted that for the moment no amendment had been tabled and that agreement at first reading on the Commission proposal was very probable.

- CHICHESTER report – Pan-European land-based public radio paging in the Community – COM(2005)361, 05/0147 (COD) (SP(2005) 4249).

The Commission noted that for the moment no amendment had been tabled and that agreement at first reading on the Commission proposal was highly probable.

- ZAPPALA report – Visas for the Olympic and /or 2006 Paralympic Winter Games in Turin – COM(2005)412, 05/0169 (COD) (SP(2005) 4250)

The Commission noted that for the moment no amendment had been tabled and that agreement at first reading on the Commission proposal was highly probable.

Simple consultation

- HARMS report – Bohunice V1 nuclear power plant in Slovakia – COM(2004)624, 04/0221 (CNS)

The Commission adopted the line set out in SP(2005)4252 and /3.

ii) Action to be taken on Parliament's opinions

(SP(2005) 4186)

The Commission empowered the Commission Members responsible for the area concerned, in agreement with the PRESIDENT and Ms WALLSTRÖM and any other Commission Members concerned, to adopt the amended proposals, as well as the opinions at second reading by the codecision and related procedures, for transmission to Parliament and the Council (SP(2005)4186).

iii) Preparations for Council meeting (Education, Youth and Culture) of 14 and 15 November 2005

(item 1.2.3 of record of the IRG) (SI(2005) 971)

- Proposal for a European Parliament and Council decision establishing an integrated action programme in the field of lifelong learning.

The Commission authorised Mr FIGEL', in agreement with the PRESIDENT, to amend his proposal relating to the action programme in question in order to facilitate, at a satisfactory level for the Commission, a majority vote on the Presidency compromise. Any agreement by the Commission would be made subject to a statement in the Council minutes reserving the Commission's position at second reading pending Parliament's opinion and the discussions currently under way on the general reform of the committee procedure.

9.2. COUNCIL MEETINGS

(SI(2005) 976)

iv) Informal meeting of Heads of State and Government at Hampton Court

(27 October 2005)

(SEC(2005)1464)

The PRESIDENT presented his information note on the follow-up to the informal meeting at Hampton Court (SEC(2005)1464). He emphasised that the Commission, thanks in particular to the firm support of the British Presidency of the Council, had been given the role of initiator, with appropriate assistance of experts but without use of external Task Forces, in the development and implementation of a series of actions planned in areas such as research and development, universities, energy and security, which are considered key areas for meeting the challenges of globalisation and demography. In the area of external policy, where a mandate had been given to the High Representative for the Common Foreign and Security Policy, the Commission would also prepare a conceptual contribution. He stated that the first results of this work would have to be presented at the spring 2006 European Council, preceded by a progress report at the December European Council. He told the meeting that the work would be led by his cabinet and coordinated by the Secretary-General; he called for close cooperation between Commission Members and the departments concerned. He emphasised that it was vitally important for the Commission to demonstrate its added value by the technical quality of its initiatives and the appropriateness of the solutions that it would be called on to provide. More generally, the PRESIDENT welcomed the change of climate that had marked the Hampton Court meeting and expressed the hope that this favourable change would have a positive impact on the negotiations on the financial perspective 2007-13, to which the PRESIDENT'S letter had given fresh momentum.

The Commission held an exchange of views, during which it considered in particular:

- the nature and the components of the work to be done in some of the areas mentioned;
- the difficulties observed in giving concrete form to certain positions adopted at the Hampton Court meeting and the need for the whole Commission to work at various levels to convince the Member States that the strategy adopted was justified;
- the need for this strategy to be integrated into the renewed Lisbon strategy rather than pursued in parallel to it.

The Commission took note of the information supplied by the PRESIDENT and of the note in SEC(2005)1464.

v) General Affairs and External Relations (7 November)

Ms GRYBAUSKAITĖ reported on the latest developments relating to the Financial Perspective 2007-13 particularly in the light of the impact of the letter from the PRESIDENT to Mr BLAIR, President of the Council, and Mr BORRELL, President of Parliament (PV(2005)1719, item 11) and the exchanges of views that had taken place at the Council (General Affairs and External Relations) that week. She confirmed in particular that the PRESIDENT's letter had broken the deadlock to some extent, although substantial progress would still be needed if agreement was to be reached at the December European Council, since there was still a considerable gap between the policy positions expressed and the technical follow-up. The next decisive stage would be the Council meeting (General affairs and external relations) on 21 November.

The PRESIDENT added to this information by emphasising that it was of utmost importance that the Commission make every possible effort to ensure that agreement was reached in December. He reminded the meeting of the need to involve Parliament as closely as possible in the negotiations and also to ensure that the globalisation adjustment fund was set up, given the

important policy objective of this fund, which already had the overt backing of several Member States.

Before taking note of this information, the Commission held a brief exchange of views on the nature and scope of the revision clause to be included in the agreement on the financial perspective.

vi) *Economic and Financial Affairs (8 November)*

(SEC(2005)1465)

Commenting on his information note distributed as SEC(2005) 1465, Mr ALMUNIA reported on several dossiers that had been discussed by the Council that week (Economic and Financial Affairs) and Eurogroupe. These included, in particular, monetary policy, the preparatory stages of the future enlargement of the euro area, the favourable reception of the recent Commission communication on the administrative burden, the excessive deficit procedure relating to Hungary, the adoption of the statistical package proposed by the Commission in December 2004 and an exchange of views on the financial aspects of the sugar sector reform.

Mr KOVÁCS, referring to the same Council meeting, set out the latest development in two important dossiers: the one-stop VAT system for cross-border transactions and reduced VAT rates. For the first of these, he stated that work would continue as a priority of the future Austrian Presidency, while for the highly sensitive dossier of reduced VAT rates, it was hoped that a political agreement would be reached at the Council meeting (Economic and Financial Affairs) on 6 December. On this point, several Commission Members stressed the importance of reaching a satisfactory agreement before the end of the year when a number of existing derogations were due to expire.

The Commission took note of this information and of the note in SEC(2005)1465.

9.3. RELATIONS WITH PARLIAMENT

vii) Part-session from 24 to 27 October

(SP(2005)4207)

The Commission took note of the information supplied relating to Parliament's part-session of 24 to 27 October (SP(2005)4207).

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

(point 3.3 of the record)

The Commission approved and decided to transmit to Parliament documents SP(2005)4251 and /2 on the follow-up to the non-legislative resolutions adopted by Parliament at its meeting on 1 September 2005.

10. STRATEGY PAPER ON ENLARGEMENT 2005

(COM(2005)561 to /4; (SEC(2005)1433 and /2; (SEC(2005)1435; SEC(2005)1436)

11. COMMISSION OPINION ON THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA'S APPLICATION FOR MEMBERSHIP OF THE EUROPEAN UNION

(COM(2005)562 to /4; (SEC(2005)1425 to /3; (SEC(2005)1429 and /2; SEC(2005)1436)

12. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

(COM(2005)557 and /2) SEC(2005)1425 to /3; SEC(2005)1434;
(SEC(2005)1435; SEC(2005)1436)

**13. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES,
PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN
PARTNERSHIP WITH ALBANIA**

(COM(2005) 553 and /2; (SEC(2005)1421 and /2; SEC(2005)1434;
SEC(2005)1436)

**14. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES,
PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN
PARTNERSHIP WITH BOSNIA AND HERZEGOVINA**

(COM(2005) 555 and /2; (SEC(2005)1422 and /2; SEC(2005)1434;
SEC(2005)1436)

**15. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES,
PRIORITIES AND CONDITIONS CONTAINED IN THE ACCESSION
PARTNERSHIP WITH CROATIA**

(COM(2005) 556 and /2; (SEC(2005)1424 and /2; SEC(2005)1434;
SEC(2005)1436)

- 16. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE EUROPEAN PARTNERSHIP WITH SERBIA AND MONTENEGRO INCLUDING KOSOVO AS DEFINED BY THE UNITED NATIONS SECURITY COUNCIL RESOLUTION 1244 OF 10 JUNE 1999**
(COM(2005) 558 and /2; (SEC(2005)1423 and /2; SEC(2005)1428 to /3; SEC(2005)1434; SEC(2005)1436)
- 17. PROPOSAL FOR A COUNCIL DECISION ON THE PRINCIPLES, PRIORITIES AND CONDITIONS CONTAINED IN THE ACCESSION PARTNERSHIP WITH TURKEY**
(COM(2005)559 to /3; SEC(2005)1426 to /3; SEC(2005)1434; SEC(2005)1436)
- 18. ENLARGEMENT PACKAGE 2005: PROPOSAL TO CHANGE THE NAME OF THE PARTNERSHIP WITH CROATIA FROM “EUROPEAN PARTNERSHIP” TO “ACCESSION PARTNERSHIP”**
(COM(2005)563 and /2; SEC(2005)1436)

Mr REHN first presented the strategy paper (COM(2005)561/4), emphasising that enlargement was a powerful tool that had already converted a number of countries in Central and Eastern Europe into stable democracies. He said that the Commission's approach to the process of enlargement was based on three main factors: consolidation of the process (the EU had to honour its commitments while exercising caution about entering into any new commitments), conditionality (the Commission had to apply this principle rigorously and report accurately and objectively on the real progress made by the countries concerned, but also to act in such a way that the countries in question had confidence in the Union's promises as to their chances of becoming Member States) and communication (in this connection, efforts were being made to improve communication with citizens on the objectives and challenges of the enlargement process).

Referring to the regular reports concerning the various countries, Mr REHN drew the Commission's attention to a number of important points, in particular the significant legislative reforms already decided on by Turkey, for example on human rights and rule of law; the fact that the pace of change had nevertheless slowed down and that implementation was not proceeding equally in the different areas; the fact that considerable efforts were required in the short term from the Turkish authorities as regards freedom of expression, women's rights, religious freedom, trade union rights, etc.; the progress made by Turkey in the economic field, since it could now be regarded as an operational market economy; the regular report on Croatia revealed that while there were no major difficulties as regards the political criteria, reform of its legal system was necessary and measures must also be taken against corruption and in support of minority rights; it was essential for Croatia to continue to cooperate fully with the International Criminal Tribunal for the former Yugoslavia; the outstanding progress made by FYROM, which only four years ago had been close to civil war between different ethnic groups; the administrative weaknesses existing in FYROM as regards implementation and transposition of the Community acquis; the advisability of proposing to grant FYROM the status of a candidate country while indicating that the accession negotiations could not begin until the country had come sufficiently into line with the accession criteria; the vital importance of encouraging the countries in the region by giving them European prospects, at a time when the United Nations process regarding the status of Kosovo was just beginning, since such encouragement would have very important implications for the security and stability of the whole of the western Balkans; the request made by the General Affairs and External Relations Council to Mr REHN to prepare, jointly with Mr SOLANA, a document on the future situation of Kosovo in order, in particular, to adopt a proposal for measures to mobilise financial resources for Kosovo and (equally importantly) for Serbia and Montenegro.

Having noted the information given by Mr REHN, the Commission held an in-depth discussion of the dossier, including the following aspects:

- the importance of encouraging the countries in question by giving them, in particular with a specific road map, clear prospects for a positive development in the European context;
- the need for the Commission to assume its responsibility by reminding the countries concerned clearly of the significant efforts that would be required from them in the accession process;
- the need for the Commission to comply with the EU's commitments while upholding the principles;
- the importance of explaining clearly and precisely to citizens the positive effects of enlargement, among other things for Europe's security and stability;
- the EU's capacity for absorption, which should among other things be seen as its capacity to fully exploit the possibilities offered by the enlargement process;
- the need to remind the Member States that the successful realisation of the enlargement process required further efforts, particularly in financial and institutional matters;
- the Union's obligation to continue to attach particular importance to the observance of human rights and fundamental freedoms in the countries in question;
- the significant effects that the proposed decisions would have, among other things for the countries of the Western Balkans, which were very closely linked;
- the current situation in Kosovo and FYROM with respect to ethnic minorities and security and stability;
- the role of Serbia and Montenegro in the region;
- the situation of children and women as well as of religious minorities in certain countries in the region;

- certain questions relating to the United Nations process aimed at resolving the bilateral problem of the name to be given to FYROM;
- the importance of regional cooperation and good relations between neighbouring countries;
- certain individual sectors (energy, justice, immigration, etc.).

The Commission agreed to make an addition to the first bullet point of the conclusions of the document on the opinion concerning FYROM's application for membership so that the seventh line (cf. page 6 of the English version of document COM(2005)562/4) would read as follows:

*"... improvements in the country. This legislation now needs to be fully enforced.
The country remains committed to regional cooperation. The former ...".*

Subject to this amendment, the Commission:

- approved the strategy paper on enlargement for 2005 (cf. COM(2005)561/4);
- took note of the related impact study in staff paper SEC(2005)1433/2;
- decided to transmit this document to Parliament and the Council;
- approved the communication stating its opinion on the application for membership by the Former Yugoslav Republic of Macedonia (cf. COM(2005)562/4);
- took note of the related impact study in the staff paper distributed as SEC(2005)1429/2;
- decided to transmit these documents to Parliament and the Council;
- adopted the proposal for a decision relating to the European Partnership with the Former Yugoslav Republic of Macedonia (cf. COM(2005)557/2);

- decided to transmit this document to the Council and, for information, to Parliament;
- took note of the analytical report in SEC(2005)1425/2 and /3; this document would also be transmitted to Parliament and to the Council;
- adopted the proposal for a decision relating to the European Partnership with Albania (cf. COM(2005)553/2);
- took note of the regular report concerning Albania (cf. SEC(2005) 1421/2);
- decided to transmit these documents to the Council and, for information, to Parliament.
- adopted the proposal for a decision relating to the European Partnership with Bosnia and Herzegovina (cf. COM(2005)555/2);
- took note of the regular report concerning that country (cf. SEC(2005)1422/2);
- decided to transmit these documents to the Council and, for information, to Parliament;
- adopted the proposal for a decision relating to the Accession Partnership with Croatia (cf. COM(2005)556/2);
- took note of the regular report concerning Croatia (cf. SEC(2005)1424/2);
- decided to transmit these documents to the Council and, for information, to Parliament;
- adopted the proposal for a decision relating to the Accession Partnership with Serbia and Montenegro, including Kosovo (cf. COM(2005)558/2);
- took note of the regular reports concerning Serbia and Montenegro as well as Kosovo (cf. SEC(2005)1423/2 and SEC(2005)1428/3);

- decided to transmit these documents to the Council and, for information, to Parliament;
- adopted the proposal for a decision relating to the Accession Partnership with Turkey (cf. COM(2005)559/3);
- took note of the regular report concerning Turkey (cf. SEC(2005)1426/3);
- decided to transmit these documents to the Council and, for information, to Parliament;
- adopted the proposal for a decision concerning the amendment of the name of the partnership with Croatia from “European Partnership” to “Accession Partnership” (cf. COM(2005)563);
- decided to transmit this document to the Council and to Parliament.

The Commission thanked Mr REHN, his cabinet and his departments for the high quality of the work carried out on the dossier.

19. TRENDS IN THE MEMBER STATES

(SEC(2005)1463)

Ms WALLSTRÖM briefly introduced her information note and drew particular attention to the Annex setting out the results of the Eurobarometer opinion poll on the introduction of the euro in the new Member States. Emphasising the need to improve transparency and communication between the Commission and the Member States in certain areas, she also asked the Commission Members to consider to what extent they could inform the Member States in advance of the immediate effect of certain major decisions regarding infringements.

The Commission took note of this information.

20. RELATIONS WITH NON-MEMBER COUNTRIES

20.1. NEGOTIATIONS ON THE DOHA DEVELOPMENT AGENDA

Ms FISCHER BOEL outlined the most recent stages of the negotiations in preparation for the WTO ministerial meeting in Hong Kong in December, in which she and Mr MANDELSON were involved. Referring to the most recent proposal concerning agriculture made by the European Community on 28 October, aimed at breaking the deadlock in the multilateral trade negotiations on the Doha round and the unfavourable reception it had been given by one Member State, Ms FISCHER BOEL pointed out that this proposal was in line with the Commission's negotiating mandate, which had been confirmed by the General Affairs and External Relations Council of 18 October. Ms FISCHER BOEL also referred to the efforts made during the negotiations conducted recently in London and currently in progress in Geneva with the G4 and G20, respectively, aimed at expanding the negotiations to include non-agricultural and industrial products (NAMA) and services.

The Commission took note of this information and held a brief exchange of views during which it agreed on the importance of the EU's role as a player in the negotiations, particularly with respect to the need to ensure that the interests of the ACP countries, and more specifically of the least developed countries (LDC), were duly taken into account in the expected results.

20.2. ENERGY COMMUNITY BETWEEN THE EUROPEAN COMMUNITY AND THE COUNTRIES OF SOUTH-EAST EUROPE (SEC(2005)1462)

The Commission took note of the information note distributed on the authority of Mr PIEBALGS on the creation of an Energy Community between the European Community and the countries of South-East Europe.

21. OTHER BUSINESS

21.1. DEVELOPMENTS ON THE OIL MARKETS AND ACTION TAKEN IN RESPONSE TO HIGH OIL PRICES (SEC(2005)1458)

The Commission took note of the information in SEC(2005)1458.

21.2. SITUATION IN CERTAIN SUBURBS IN FRANCE

Ms HÜBNER referred to the difficult situation in certain French suburbs. She reported on the contacts there had been with the French authorities and her intention of providing assistance, including financial support, through the structural funds, for the rehabilitation programmes planned for the suburbs most affected. She had accordingly asked the departments under her responsibility to consider the possibility of making available regional funds not already pledged.

The Commission took note of this information.

*

* *

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

*

* *

The meeting closed at 1340 hours.