



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2006) 1738 final

Brussels, 29 March 2006

MINUTES

of the 1738th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 22 March 2006

(morning)

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Single sitting: Wednesday 22 March (morning)

The sitting opened at 09.09 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Ms WALLSTRÖM	Vice-President of Commission	
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	Items 1 to 12 (in part), 13 (in part), 14 and 15
Mr KALLAS	Vice-President	
Ms REDING		
Mr DIMAS		
Mr ALMUNIA		
Ms HÜBNER		
Mr BORG		
Ms GRYBAUSKAITĖ		
Mr POTOČNIK		
Mr FIGEL'		
Mr KYPRIANOU		Items 1 to 13 (in part)
Mr REHN		Items 12 to 15
Mr MICHEL		Items 12 and 13
Mr KOVÁCS		
Ms KROES		
Ms FISCHER BOEL		
Mr McCREEVY		
Mr ŠPIDLA		
Mr MANDELSON		
Mr PIEBALGS		

Absent:

Mr FRATTINI

Vice-President

Ms FERRERO-WALDNER

The following sat in to represent absent Members of the Commission

Ms SCHMITT	Deputy Chef de cabinet to Mr FRATTINI	Items 12 to 15
Mr CHILD	Chef de cabinet to Ms Ferrero-Waldner	

The following also sat in

Mr VALE DE ALMEIDA	Chef de cabinet to the President	
Mr PETITE	Director-General, Legal Service	Items 12 (in part) to 15
Mr SØRENSEN	Director-General, DG Communication	
Mr LAITENBERGER	Commission Spokesman	
Mr MOAVERO-MILANESI	Director-General, Bureau of European Policy Advisers (BEPA)	Item 13
Ms MARTINHO	Chief Adviser in the President's Office	Items 13 and 14
Mr ELLIS	A member of the President's staff	Items 13 (in part) to 15
Ms ERLER	A member of Mr Verheugen's staff	Item 13
Mr SCHINAS	Chef de cabinet to Mr Kyprianou	Items 14 and 15
Ms SCHREIBER	Chef de cabinet to Mr ŠPIDLA	Items 1 to 13

Secretary: Ms DAY, Secretary-General, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General.

1. AGENDAS

(OJ(2006) 1738/3; SEC(2006)361/2)

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(2006)1738

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 20 March.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1737TH MEETING

(14 MARCH)

(PV(2006) 1737; PV(2006)1737, PART II)

The Commission approved the minutes of its 1737th meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

STATE AID - RECAPITULATIVE LIST

(SEC(2006) 388 and /2)

The Commission adopted the decisions in the recapitulative list (SEC(2006) 388/2).

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2006) 362 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 17 March 2006.

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2006) 363 and /2)

The Commission took note of the written procedure initiated on 17 March for the adoption of a decision with political implications, and of the final written procedure initiated on 22 March 2006.

5.3. EMPOWERMENT

(SEC(2006) 364 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 17 March 2006.

5.4. EMPOWERMENT FOR THE ADOPTION OF DECISIONS TO REIMBURSE MEMBER STATES FOR THE EXECUTION OF ERADICATION AND MONITORING PROGRAMMES IN THE VETERINARY FIELD

(SEC(2006)380)

The Commission empowered the Commission Member responsible for health and consumer protection as set out in SEC(2006) 380.

5.5. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 13 and 17 March 2006, as archived on the "Greffé 2000" (Registry) website.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2006) 365/2)

ADMINISTRATIVE MATTERS
(PERS(2006)37)

**6.1. DG COMM – APPOINTMENT OF A*15/16 DEPUTY
DIRECTOR-GENERAL**
(PERS(2006)24 to /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Deputy Director-General Communication DG (PERS(2006)24).

The Commission took note of the opinions of the Consultative Committee on Appointments of 17 February and 21 March (PERS(2004)24/2 and /3).

The Commission proceeded to consider the applicant's qualifications for the post. It also considered the applicant's ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Ms WALLSTRÖM, it then decided to appoint Mr Panayotis CARVOUNIS to the vacant post.

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

6.2. BEPA - AMENDMENT OF ORGANISATION CHART
(SEC(2006) 386 and /2)

On a proposal from Mr KALLAS, in agreement with the PRESIDENT, the Commission decided:

- to create three new posts of Chief Adviser in grade A*14 ;
- to create a new unit «Coordination» ;

- to approve the organisation chart set out in SEC(2006) 386/2.

These decisions would take effect from 1 April.

**6.3. DGT - AMENDMENT OF ORGANISATION CHART
(SEC(2006) 387)**

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr FIGEL', the Commission decided:

- to take note of the creation of two new posts of Director in grade A*14 set aside for the recruitment of nationals of one of the new Member States (Director in the Translation Directorate and Director in the Horizontal Linguistic Services Directorate), in accordance with the Commission Decision of 18 February 2004 (PV(2004) 1646; SEC(2004) 217/2);
- to approve the creation of two new posts of Adviser, and in so doing amending Annex I to the decision of 29 September 2004 (PV(2004) 1672; C(2004) 3623/3);
- to take note that this reorganisation fully conformed to the Luxembourg agreement of 11 February 2003 (PV(2003) 1600; C(2003) 540/2);
- to take note that this reorganisation would not involve moving existing staff between the two sites;
- to take note that this reorganisation would mean that the move to the rue de Genève could begin immediately;
- to approve the organisation chart set out in SEC(2006) 387.

These decisions would take effect immediately.

6.4. DG SANCO – TERMINATION OF THE EXTERNAL SELECTION PROCEDURE TO APPOINT A GRADE A*14 DIRECTOR (EU-10)
(PERS(2004)213 to /5)

Having noted the procedure followed as set out in point 4 of PERS(2006) 37, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr KYPRIANOU, decided to terminate selection procedure COM/177/2004 without appointing anyone to the post.

This decision would take effect immediately.

6.5. DG MARKT – TERMINATION OF THE INTERNAL SELECTION PROCEDURE TO APPOINT A GRADE A*14/15 DIRECTOR
(PERS(2005)63)

Having noted the procedure followed as set out in point 5 of PERS(2006) 37, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr McCREEVY, decided to terminate selection procedure COM/2005/1244 without appointing anyone to the post.

This decision would take effect immediately.

6.6. DG FISH – RENEWAL OF CONTRACTS OF SIX TEMPORARY STAFF – FISHERIES INSPECTORS

Having noted the procedure followed, as set out in point 6 of PERS(2006) 37, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr BORG, decided to renew with immediate effect the contracts of six temporary staff who were fisheries inspectors in the Fisheries and Maritime Affairs Directorate-General, mentioned in point 6 of PERS(2006) 37, and to terminate these contracts before the end of June 2006 so that the period of notice would end on 31 December 2006.

This decision would take effect immediately.

**6.7. DG EMPL – ADOPTION OF A LIST FOR THE RECRUITMENT OF A DIRECTOR IN GRADE A*14 AT THE EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK
(PERS(2004)170 and /2)**

Having noted the procedure followed, as set out in point 7 of PERS(2006) 37, the Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr ŠPIDLA, decided:

- to approve the list of three candidates set out in PERS(2006) 37;
- to consider this list as the Commission proposal under Article 11 of Regulation (EC) No 2062/94;
- to ask Mr ŠPIDLA to communicate this decision to the administrative board of the European Agency for Safety and Health at Work.

This decision would take effect immediately.

**7. MEMORANDUM OF UNDERSTANDING CONCERNING THE OBSERVATION AND MONITORING OF THE POPULATION AND HOUSING CENSUS IN KOSOVO
(SEC(2006) 375 AND /2)**

The Commission decided:

- to authorise the Commission Member responsible for enlargement to sign, for and on behalf of the Commission, the memorandum of understanding between the European Commission and the Council of Europe, and the United Nations Interim Administration Mission in Kosovo acting on behalf of and for the benefit of the Provisional Institutions of Self-Government in Kosovo; this memorandum of understanding was annexed to SEC(2006) 375;

- to delegate to the Director-General of the Statistical Office of the European Communities, acting for and on behalf of the Commission, the power to appoint the members and the chairman of the steering committee, in agreement with the Council of Europe.

**8. COMMISSION DECISION UNDER ARTICLE 81 OF THE EC TREATY
(CASE COMP/C-2/38.173 – JOINT SELLING OF MEDIA RIGHTS BY THE
FOOTBALL ASSOCIATION PREMIER LEAGUE LIMITED)
(C(2006)868 TO /6)**

The Commission

- took note of the opinion of the Advisory Committee on Restrictive Practices and Dominant Positions of 13 March in C(2006)868/3;
- took note of the final report of the Hearing Officer of 14 March in C(2005)868/4;
- adopted, in the authentic language (English), the decision in C(2006)868/2 and /6, making the commitments annexed to the decision obligatory for the company in question;
- decided that the decision in C(2006)868/2 and /6 would be notified to the company concerned, together with the final report of the Hearing Officer;
- empowered the Member of the Commission with responsibility for Competition to decide on the appointment and term of office of the proposed representative;
- decided that the most important parts of the decision, together with the opinion of the Advisory Committee and the final report of the Hearing Officer, would be published in the official languages in the Official Journal (with all business secrets removed);

- decided to publish the decision (with business secrets removed) on the Internet.

9. COMMISSION REGULATION IMPOSING A PROVISIONAL ANTI-DUMPING DUTY ON IMPORTS OF CERTAIN FOOTWEAR WITH UPPERS OF LEATHER ORIGINATING IN THE PEOPLE'S REPUBLIC OF CHINA AND VIETNAM

(C(2006)866 TO /5; SEC(2006)376)

The Commission adopted in principle the Regulation in C(2006) 866/5, on the basis of the language versions available, and empowered Mr MANDELSON, in agreement with the PRESIDENT, with a view to the formal adoption of all language versions of the Regulation.

10. COMMISSION REGULATION ESTABLISHING THE COMMUNITY LIST OF AIR CARRIERS WHICH ARE SUBJECT TO AN OPERATING BAN WITHIN THE COMMUNITY REFERRED TO IN CHAPTER II OF REGULATION (EC) NO 2111/2005

(C(2006) 904; SEC(2006)389)

11. COMMISSION REGULATION LAYING DOWN IMPLEMENTING RULES FOR THE COMMUNITY LIST OF AIR CARRIERS WHICH ARE SUBJECT TO AN OPERATING BAN WITHIN THE COMMUNITY REFERRED TO IN CHAPTER II OF REGULATION (EC) NO 2111/2005

(C(2006) 903; SEC(2006)389)

The Commission adopted the regulations in C(2006) 904 and C(2006) 903, and took note of their publication in the Official Journal of the European Union.

12. INTERINSTITUTIONAL RELATIONS

12.1. LEGISLATIVE MATTERS

i) Action to be taken on Parliament's opinions (SP(2006) 1094)

In agreement with the PRESIDENT and Ms WALLSTRÖM and any other Commission Members concerned, the Commission decided to empower the Members responsible for the sector concerned to adopt the amended proposals for transmission to Parliament and the Council.

ii) Results of the meeting of the trialogue meeting of 21 March on the interinstitutional agreement on budgetary discipline and improvement of the budgetary procedure

Ms WALLSTRÖM and Ms GRYBAUSKAITĖ set out the results obtained at the trialogue meeting between the European Parliament, the Council and the Commission on Tuesday 21 March on negotiations on the interinstitutional agreement and financial perspective 2007-13.

Ms GRYBAUSKAITĖ noted with satisfaction that most of the problems were now practically solved, including difficult matters such as the revision clause or certification.

At this stage, two important political points still had to be settled: the setting of amounts/general ceilings and flexibility instrument. With particular regard to general ceilings, Ms GRYBAUSKAITĖ pointed out that there was a wide gap between the positions of Parliament and the Council. She asked Commission Members to work towards closing this gap by 4 April, date of the next and presumably last trialogue meeting.

Finally, she briefly outlined the very negative consequences for the European Union of the failure to reach an agreement on the financial perspective,

particularly with respect to the new programmes and the multiannual programmes.

Ms WALLSTRÖM thanked Ms GRYBAUSKAITĖ and her staff for the results already obtained. She considered that all Commission Members should give priority to conveying a single message in their contacts on this matter, particularly with Parliament and Council representatives, namely the very great importance for the future of the Union of rapidly securing a solid and balanced interinstitutional agreement on the financial framework for the next seven years.

Finally, the PRESIDENT welcomed the outcome of the trialogue meeting, while recognising that efforts were still needed to reconcile the positions on the general ceilings. He remained optimistic, however, about the possibility of securing a definitive agreement rapidly for the good of the whole European Union. He welcomed the fact that for the moment Parliament seemed to have ruled out the idea of repudiating the interinstitutional agreement in force. He thanked Ms WALLSTRÖM and Ms GRYBAUSKAITĖ for the very constructive role they had played in the negotiation process.

The Commission took note of this information.

12.2. RELATIONS WITH THE COUNCIL

(SI(2006) 239)

iii) Preparation of the spring European Council (Brussels, 23 and 24 March)

(SI(2006) 244)

The PRESIDENT reported on the preparation in the Council (General affairs and external relations) at the beginning of the week of the next European Council meeting. He reminded the meeting of the importance of this European Council in the context of the change of course initiated last year last with the decision to relaunch the Lisbon strategy. Now that the economic

situation was suited to achieving the objectives set, it was time to see results. There were four main areas for action:

- knowledge: there should be more investment in research and development, and emphasis put on cooperation between the worlds of research and enterprise, and on the development of poles of excellence, such as the European Technology Institute;
- companies: an effort must be made to reduce the administrative formalities involved in creating companies, in particular for small businesses, by establishing "one-stop shops";
- employment: the Council would invite Member States to make employment a major policy objective, giving priority to employment and training for young people, and to take appropriate measures to implement the European Globalisation Adjustment Fund;
- energy: the Commission Green Paper had been very warmly welcomed and the way was now open for an in-depth debate in the Council and for the definition of concrete commitments.

The PRESIDENT also mentioned the other points on the European Council agenda, in particular the prospects as regards the proposal for a Directive on services in the internal market and discussion of the question of national protectionism in energy.

At the invitation of the President, Mr SCHÜSSEL, the President of the European Central Bank, representatives of the UNICE and of the ETUC, the Finance Ministers of all the Member States and Mr ALMUNIA had participated in the Council meeting.

The PRESIDENT wound up the item by expressing his satisfaction with the results obtained in the draft conclusions in SI(2006) 244, and welcomed the quality of collaboration with Austrian Presidency.

The Commission took note of this information.

**iv) Informal meeting of Education Ministers (Vienna, 16-17 March)
(SEC(2006)401; SI(2006) 230)**

The Commission took note of the information note from Mr FIGEL' in SEC(2006)401.

**v) Results of the Council (Agriculture and Fisheries), 20 March
(SI(2006) 248)**

Ms FISCHER BOEL reported on the discussions held at the Council meeting (Agriculture and Fisheries) of 20 March on the economic consequences of the development of avian influenza. More particularly, she mentioned the difficulties currently facing poultry producers, who in certain Member States were having to deal with a sharp fall in prices and consumption, in others with unexpected competition due to imports of cheap poultry from other Member States. The migration period of wild birds would no doubt add to these difficulties.

Ms FISCHER BOEL reported on the Council's request for a Commission proposal to be presented at its next meeting in April to strengthen measures for dealing with these difficulties. It would mean cofinancing special support measures, at the request of each Member State affected, given the veterinary situation and the drop in consumer confidence. Bearing in mind time constraints and the Easter break, the Commission should prepare this proposal by a fast-track procedure. Parliament also wished to be informed of the content of the proposal at its April part-session.

The Commission took note of this information.

The Commission then held a brief exchange of views during which it noted in particular the information presented by Ms WALLSTRÖM and Mr KYPRIANOU on the need to intervene rapidly in certain non-member countries, and more particularly in Africa, where some people, suffering from

poverty and a lack of information, had taken to eating poultry which had been slaughtered by the authorities.

vi) Council meeting (General Affairs and External Relations) (Brussels, 20 March)
(SEC(2006)406; SI(2006) 245)

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2006)156.

vii) Meeting with the President of the Russian Federation (Moscow, 17 March)

The PRESIDENT reported on his meeting with Mr Vladimir Putin, President of the Russian Federation, held on Friday 17 March. The meeting had been informal, and had concentrated particularly on the state of bilateral relations and on energy matters, Iran and the Middle East.

As regards the state of bilateral relations, the main points he had brought up at the meeting were:

- his concern about the growing gap between Russia and the West and the direction taken by the Russian transition in relation to the democratic values of the European Union;
- his recognition of Russia's specific problems relating in particular to the size of the country;
- European concerns in relation to the gas crisis between Russia and Ukraine, and the need for the Russian Federation to be a reliable and dependable partner as regards energy;
- the importance for Russia of reassuring its partners as to the direction it intended to take.

The PRESIDENT also reported on the arguments put forward by the President of the Russian Federation in this respect: the country's diversity, its special history, problems of corruption and the need for a strong State which could deal with those problems, and also Russia's European roots, its total commitment to democracy, and its role as a "natural partner" for Europe.

On energy matters, the mutual benefits of cooperation, balance and reciprocity between the Russian Federation and the European Union, and the advantages of a special partnership in this area had been stressed by both sides.

As regards Iran, President Putin had said he shared the European Union's concerns but feared that the planned sanctions would be ineffective and could even accelerate the development of the Iranian nuclear programme.

As regards Hamas, President Putin had said that his efforts respected the *Quartet* mission statement and aimed to ensure the acceptance of the principles of the road map; he had also emphasised the need to avoid conflict in the region at all costs.

Finally, the PRESIDENT stated that the President of the Russian Federation had accepted an invitation to attend a Commission meeting in Brussels at a date to be determined before the end of the year.

During the subsequent exchange of views, particular emphasis was placed on the positive character of such informal contacts, the importance, as regards energy, of integrating relations with the Russian Federation into a multilateral framework enabling greater transparency, and the need, on the question of Russia's accession to the World Trade Organisation, to stand firm by European requirements as regards the market economy and the rule of law.

The Commission took note of this information.

12.3. RELATIONS WITH PARLIAMENT

(SP(2006) 1139)

viii) Results of the March I plenary session

The Commission took note of the information supplied on Parliament's plenary session held in Strasbourg from 13 to 16 March (SP(2006)1139).

It paid particular attention to the presentation of the annual policy strategy 2007.

Annual policy strategy 2007

Ms WALLSTRÖM summarised her presentation of the annual policy strategy 2007 to Parliament's Conference of Committee Chairmen on the occasion of the plenary session. She considered that the way was now open for a more political dialogue on strategy with the parliamentary committees.

The PRESIDENT announced that he would make his statement to Parliament on policy strategy for 2007 at that day's plenary session.

The Commission took note of this information.

x) LEINEN report – European political parties

(SP(2006)1283 and /2)

The Commission took note of SP(2006) 1283 and /2, and in particular the line advocated in point 4 of document SP(2006) 1283/2.

12.4. RELATIONS WITH NATIONAL PARLIAMENTS

(SEC(2006)350 to /5)

xi) 2005 annual report on relations with national parliaments

Ms WALLSTRÖM outlined the first annual report for 2005 she was tabling on relations with national parliaments. She underlined the benefit of these relations, which helped to establish closer links between European policies

and national political systems, and thanked Commission Members for their contributions in this area.

The Commission took note of this information and approved the line proposed in SEC(2006) 350/5.

It adopted the 2005 annual report on relations with national parliaments in the Annex to SEC(2006) 350/5, for transmission to Parliament and to the Council. It authorised Ms WALLSTRÖM to inform the national parliaments.

**13. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE – IMPLEMENTING THE PARTNERSHIP FOR GROWTH AND JOBS: MAKING EUROPE A POLE OF EXCELLENCE ON CORPORATE SOCIAL RESPONSIBILITY
(COM(2006)136 TO /4; SEC(2006)377)**

Mr VERHEUGEN and Mr ŠPIDLA presented the communication on corporate social responsibility they were tabling. There were innovative aspects to the European Alliance for Corporate Social Responsibility, which added a further element to the Lisbon strategy. They stressed that the initiative was entirely voluntary, and that only an absence of any regulation and control would allow the proposed measures to have their maximum impact.

There was also the dynamic character of the initiative which would enable the public and the social partners to make sure the objectives fixed had been attained, and enable the Commission to adapt, if necessary, these same objectives in the light of the initiative's development. It was based on the results of extensive consultations with all concerned, and the proposed measures, although focusing on enterprises, involved them all. They were optimistic about the European Alliance, which would without doubt help to promote the principles of corporate social responsibility.

Following Mr VERHEUGEN's and Mr ŠPIDLA's presentations, the Commission held an exchange of views, covering the following questions in particular:

- the importance of preserving the entirely voluntary nature of the commitments given by firms in this context;
- recognition of the participation of all the social players, as well as the importance of reaching a sound balance between these players' various interests;
- the need to properly define the Commission's role in the proposed initiative;
- the real added value of the initiative in comparison with the experience of recent years and the current situation;
- the importance of a balanced and instructive presentation of the initiative and of a coherent follow-up strategy following approval of the communication;
- timing;
- links between social responsibility and other existing instruments, particularly for assessing compliance with the principles of sustainable development, for instance the Global Reporting Initiative;
- the benefit of the initiative for participating companies;
- the encouraging effect the initiative would have on European companies to also apply the principles of social responsibility outside Europe.

The PRESIDENT concluded by emphasising the support given to the entirely voluntary nature of this initiative. The communication was geared first and foremost to companies, but it did not exclude the other social players.

Following its discussions, the Commission approved the text set out in COM(2006) 136/4, for transmission to Parliament, the Council and the Economic and Social Committee, subject to the following amendments:

- point 5, end of the fourth indent (after "*to achieve the objectives of transparency and information for consumers*"), add: "*, including on issues of public health.*";
- point 6, end of the sole paragraph (after "*since CSR mirrors the core values of the EU itself.*"), add: "*The Commission will reassess the evolution of CSR in Europe in a year's time, following the discussion within the Multistakeholder Forum.*";
- Annex, in the chapter entitled "*A European Alliance for CSR*", end of the first indent (after "*Raising awareness and improving knowledge on CSR*"), add: "*and reporting on its achievements.*".

14. RELATIONS WITH THIRD COUNTRIES

14.1. VISITS TO ROMANIA (15 AND 16 MARCH 2006) AND BULGARIA (16 AND 17 MARCH 2006) (SEC(2006)404)

Ms FISCHER BOEL reported on the meetings with certain high-level bodies and political, industrial and union representatives in Romania and Bulgaria. The objective had been to assess the challenges facing the agricultural sector in these countries and to examine the progress of preparations in the area of agriculture with a view to accession to the European Union.

While acknowledging the substantial progress made by these two candidate countries in the agricultural sector, Ms FISCHER BOEL said that, in her opinion, there was still a long way to go in the coming months, particularly as regards the setting-up of fully operational payment agencies and the Integrated Administration and Control System (IACS).

The Commission took note of this information and of the note from Ms FISCHER BOEL in SEC(2006)404.

14.2. VISIT TO ROMANIA (13 MARCH 2006)

(SEC(2006)398)

The Commission took note of the information note from Mr FRATTINI in SEC(2006)398.

14.3. G8 ENERGY MINISTERS MEETING, (MOSCOW, 16 MARCH)

(SEC(2006)402)

The Commission took note of the information note from Mr PIEBALGS in SEC(2006)402.

15. OTHER MATTERS

15.1. AVIAN INFLUENZA – GENERAL SITUATION

5SEC(2006)405°

The Commission took note of the information note from Mr KYPRIANOU in SEC(2006)405.

**15.2. QUADRIPARTITE MEETING BETWEEN THE EUROPEAN UNION
AND THE COUNCIL OF EUROPE (STRASBOURG, 15 MARCH)**

(SEC(2006)407)

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2006)407.

15.3. MICROSOFT

Ms KROES reported on the latest developments in the dispute between the European Commission and Microsoft, particularly with a view to the hearing of this company and its competitors to be held on 30 and 31 March.

The Commission took note of this information.

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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 12.01