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SECRETARIAT-GENERAL

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MINUTES

of the 1746th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 24 May 2006

(morning)

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Single sitting: Wednesday 24 May (morning)

The sitting opened at 09.07 with Mr BARROSO, President, in the chair. Items 12 and 13 were chaired by Mr VERHEUGEN.

Present:

Mr BARROSO	President	Items 1 to 11
Ms WALLSTRÖM	Vice-President	Items 1 to 11
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	Items 1 to 11
Mr KALLAS	Vice-President	
Mr FRATTINI	Vice-President	
Ms REDING		Items 1 to 10
Mr DIMAS		
Mr ALMUNIA		Items 10 to 13
Ms HÜBNER		Items 10 (in part) to 13
Mr BORG		
Mr FIGEL'		
Mr KYPRIANOU		
Mr REHN		
Mr KOVÁCS		
Ms KROES		
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		Items 1 to 11
Mr McCREEVY		
Mr ŠPIDLA		
Mr MANDELSON		Items 1 to 11
Mr PIEBALGS		

Absent:

Ms GRYBAUSKAITÉ

Mr POTOČNIK

Mr MICHEL

The following sat in to represent absent Members of the Commission

Mr QUEST	Chef de cabinet to Ms Grybauskaitė
Mr DRÖLL	Chef de cabinet to Mr Potočník
Ms WEYAND	Chef de cabinet to Mr Michel

The following also sat in

Mr VALE DE ALMEIDA	Chef de cabinet to the President	Items 1 to 11
Ms DURAND	Deputy Director-General of the Legal Service	
Mr CARVOUNIS	Deputy Director-General, DG Communication	Items 1 to 12
Ms AHRENKILDE	DG Communication	Items 1 to 11
Ms CARVALHO	Acting Director-General, Bureau of European Policy Advisers (BEPA)	Items 1 to 11
Ms MARTINEZ ALBEROLA	Member of the President's staff	Items 10 and 11
Mr BERTOZZI	Member of Mr Frattini's staff	Items 10 and 11
Ms COLOMBO	Member of Ms Reding's staff	Items 11 to 13
Ms CYGAN	Deputy Chef de cabinet to Ms Hübner	Items 1 to 10 (in part)
Mr GAMBS	Member of Ms Ferrero-Waldner's staff	Items 10 to 13

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

1. AGENDAS

(OJ(2006)1746/3; SEC(2006)627/3; SEC(2006)645)

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)1746)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 22 May.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1745TH MEETING
(16 MAY)**

(PV(2006)1745; PV(2006)1745, PART II)

The Commission approved the minutes of its 1745th meeting.

4. INTERINSTITUTIONAL RELATIONS

4.1. LEGISLATIVE MATTERS

i) Action to be taken on Parliament's opinions

(SP(2006)2203)

The Commission decided to empower the Members responsible for the areas concerned, in agreement with the PRESIDENT and Ms WALLSTRÖM and any other Commission Members concerned, to adopt the amended proposals for transmission to Parliament and the Council (SP(2006)2203).

4.2. RELATIONS WITH THE COUNCIL

(SI(2006)446)

ii) Comitology negotiations – state of play

(SEC(2006) 666 and /2)

The Commission took note of the information note from the PRESIDENT and Ms WALLSTRÖM in SEC(2006)666/2, and in particular the questions which might arise during the next stages of the negotiations.

iii) Results of Council meeting (Fisheries) (Brussels, 22 May)

(SEC(2006)685; SI(2006)462)

European Fisheries Fund

The Commission took note of the information note from Mr BORG in SEC(2006)685.

4.3. RELATIONS WITH PARLIAMENT

iv) Results of May I part-session

(SP(2006)2191)

The Commission took note of the information supplied in SP(2006) 2191 relating to Parliament's part-session held in Strasbourg from 15 to 18 May.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2006)628 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 May.

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2006)629 and /2; SEC(2006)601/2)

The Commission took note of the written procedures initiated between 15 and 19 May for the adoption of decisions with political implications, and of the “finalisation” written procedures initiated following the weekly meetings of Chefs de Cabinet on 15 and 22 May.

5.3. EMPOWERMENT

(SEC(2006)630 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 May.

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 15 and 19 May, as archived on the "Greffé 2000" (Registry) website.

6. AN EXTERNAL POLICY TO SERVE EUROPE'S ENERGY INTERESTS

(SEC(2006) 660 AND /2)

The Commission took note of the information note from the PRESIDENT, Ms FERRERO-WALDNER and Mr PIEBALGS in SEC(2006)660/2 and decided to empower Ms FERRERO-WALDNER, in agreement with the PRESIDENT and Mr PIEBALGS, to finalise the joint document of the European Commission, the Council Secretary-General/High Representative for Common Foreign and Security Policy, for transmission to the European Council.

**7. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – PROMOTING DECENT WORK FOR ALL – THE UNION'S CONTRIBUTION TOWARDS IMPLEMENTING THE AGENDA FOR DECENT WORK WORLDWIDE
(COM(2006)249 TO /4; SEC(2006)643 TO /3; SEC(2006)650)**

The Commission approved the communication in COM(2006)249/4 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the annex in the staff paper distributed as SEC(2006)643/3, the contents of which were noted.

8. OTHER BUSINESS

***FIFTEENTH ANNUAL MEETING OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (LONDON, 22 MAY)
ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT MINISTERIAL COUNCIL MEETING (PARIS, 23 AND 24 MAY)
(SEC(2006)684)***

The Commission took note of the information note from Mr ALMUNIA in SEC(2006)684.

9. PACKAGE OF LEGISLATIVE PROPOSALS FOLLOWING THE SIGNING ON 17 MAY OF THE INTERINSTITUTIONAL AGREEMENT BETWEEN THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COMMISSION ON BUDGETARY DISCIPLINE AND SOUND FINANCIAL MANAGEMENT, INCLUDING THE ANNEX RELATING TO THE FINANCIAL FRAMEWORK 2007-13

(COM(2006)239; SEC(2006)665; SEC(2006)625 TO /4; COM(2006)245 TO /3; COM(2004)477/3 TO /5; COM(2006)230 AND /2; COM(2005)123/5 AND /6; SEC(2006)624; COM(2004)621/5 AND /6; COM(2006)233 TO /4; COM(2005)119/5 AND /6; SEC(2006)670; COM(2005)439/4 AND /5; COM(2005)440/4 AND /5; COM(2005)441/4 AND /5; COM(2005)442/4 AND /5; COM(2005)443/4 AND /5; COM(2005)444/4 AND /5; COM(2005)445/4 AND /5; SEC(2006)652; COM(2006)228 AND /2; COM(2006)236 TO /3; COM(2006)234 TO /3; COM(2006)235 TO /3; COM(2006)237 AND /2; COM(2006)238 AND /2; COM(2006)241 TO /3; C(2006)2054 AND /2; COM(2004)628/5; COM(2004)629/5; SEC(2006)653; COM(2004)488/5 AND /6; COM(2004)624/7 TO /9)

The PRESIDENT began by expressing his satisfaction with the signing on 17 May of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management, including the financial framework for the period 2007 to 2013, after long and difficult negotiations. The very large majority vote in Parliament in favour of this interinstitutional agreement was important and politically significant. The conditions were now fulfilled for the new financial framework to become operational on 1 January 2007. However, in order to achieve this definitively, the adoption of legislative proposals adapted to the new financial framework would have to be completed. The interinstitutional schedule for adopting these proposals was very tight.

The PRESIDENT warmly thanked all the Members of the Commission, the cabinets and the departments involved either in the negotiations which led to the signing of the interinstitutional agreement or in the preparation, in a very short space of time, of the package of legislative proposals put before the Commission.

Having noted this information, and subject to any technical tidying-up of the documents which might be necessary, the Commission:

- approved the overall communication in COM(2006)239 for transmission to Parliament and the Council and, for information, to the European Economic and

Social Committee and the Committee of the Regions, together with the annex in SEC(2006)665, the contents of which were duly noted;

- adopted the legislative proposals in COM(2006)245/3, COM(2004)477/5, COM(2006)230/2, COM(2005)123/6, COM(2004)621/5, COM(2005)119/6, COM(2005)439/5, COM(2005)440/5, COM(2005)441/5, COM(2005)442/5, COM(2005)443/5, COM(2005)444/5, COM(2005)445/5, COM(2006)228, COM(2006)236/3, COM(2006)234/3, COM(2006)235/3, COM(2006)237 and COM(2004)488/5, for transmission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions;
- adopted the legislative proposals in COM(2006)233 and /4, COM(2006)241/3, COM(2004)628/5, COM(2004)629/5 and COM(2004)624/9, for transmission to the European Parliament and the Council;
- adopted the legislative proposal in COM(2006)238, for transmission to the Council;
- adopted the decision in C(2006)2054, for publication in the Official Journal of the European Union;
- approved the pluriannual financial programming 2007-13 in documents SEC(2006)625/2 to /4, with regard to the headings listed therein, and took note of the financial programming for the other headings, in particular heading 5;
- empowered Ms GRYBAUSKAITĖ, the Member of the Commission responsible for financial programming and the budget, in agreement with the PRESIDENT, to finalise the financial programming in full compliance with the decisions taken by the Commission and to transmit it to the budgetary authority in the three procedural languages.

10. POLICY DEBATE ON ILLEGAL IMMIGRATION

(SEC(2006)655 AND /2; SEC(2006)648)

Mr FRATTINI began by pointing out that migratory flows were an international problem requiring a structured and global approach. He ran through the proposals previously presented by the Commission on legal immigration, the relationship between immigration and development and the integration of third-country nationals. The issue of illegal immigration should now be addressed, at a time when the problem was becoming particularly acute in some Member States, with large waves of immigrants not only from Africa but also from Eastern Europe and Asia. The principle of European Union solidarity should apply unequivocally, and although some Member States were particularly affected this was nevertheless a problem for the whole of Europe.

He also said that the Commission could not remain indifferent to the human tragedy involved in these attempts at illegal immigration in conditions which were all too familiar. It should act on two fronts, by offering credible opportunities for legal immigration while waging an effective battle against the traffickers who exploited such despair. He stressed that rapid action was needed, as some situations already required urgent intervention and summer was always one of the most critical periods of the year.

Mr FRATTINI then presented the contents of the information note, pointing out that legal and illegal immigration were simply two aspects of a single phenomenon which should be treated globally, and this would imply cooperation with the countries of origin and transit of these migratory flows. He highlighted some areas of priority action, notably the fight against the undeclared work which fuelled these flows, development aid and readmission agreements with the countries of origin. With a view to prevention, he mentioned the importance of disseminating more information in the countries concerned about the possibilities of legal immigration in the European Union, but also about the consequences and dangers of illegal immigration. He ended by stressing the determination to ensure that respect for human dignity was central to these actions.

The PRESIDENT then took the floor and stressed that this matter was one of the most important of the present Commission's term of office and that it was an area in

which the Member States and the public expected a European response from the Commission. It should be remembered that immigration could be a source of wealth and prosperity for all concerned. Illegal immigration posed a number of challenges: security problems, the effectiveness of return policies, the distortion of the employment market as a result of undeclared work, respect for human rights and the EU's relations with third countries. He pointed out the need for a European approach in an area without internal borders and felt that, before extending Community powers in the field of justice, freedom and security, the aspects already covered should be dealt with and results achieved.

The PRESIDENT then returned to the integrated and global approach to immigration defined by the December 2005 European Council following the Hampton Court meeting and pointed out that the Commission would have to present its work in this area in December 2006. He opened the discussion by making it clear that the objective was to come up with a number of guidelines which would allow Mr FRATTINI to draw up the communication on illegal immigration to be submitted to the Commission before the summer break.

The Commission's discussion yielded the following pointers:

- general support for the priorities defined by Mr FRATTINI and the particularly apt nature of this initiative at a time when illegal immigration was causing acute problems in several Member States;
- the importance of this matter for the Commission's credibility, bearing in mind the expectations of the Member States and the public, and the fact that it was one of the main challenges of its term of office;
- the need to define a global and common European approach and to put in place concrete measures which brought real added value;
- the need in this area to ensure perfect coherence between internal and external action;

- the importance of pointing out that work on illegal immigration was part of a more extensive programme, including, in particular, cooperation with third countries in order to deal with the origins of the problem, the stability and prosperity of the countries of origin being the key to finding a solution;
- the need to present the measures taken in a way that did not give the impression of seeking to create a "fortress" Europe but that emphasised the efforts made by European policies on development aid, neighbourhood and enlargement;
- the complexity of the situation, which was related to problems of employment, society and social rights, and the need to take the necessary time to deal with it comprehensively;
- the importance of stressing immigration's potential and the needs it could meet, in particular given the low birth rates in the Union;
- the need to concentrate specifically on the problem of trafficking in women and to step up debate on this subject;
- the need to stipulate that measures to fight illegal immigration would be accompanied by the opening-up of legal immigration channels and that control measures would be complemented by information campaigns on the possibilities afforded by legal immigration;
- the link to be made with the communication on undeclared work in the European Union which was being prepared, in order to properly define who the Community actions were aimed at;
- the measures needed to make legal immigration a realistic prospect for those who were at present tempted by illegal immigration;
- the need for global action intended to introduce a common European system for asylum and immigration in order to fill the judicial gaps left by the differences in existing national systems;

- the transnational nature of immigration problems, the critical situations in some countries of entry having repercussions on the Union as a whole, and the absolute need for solidarity between all Member States;
- in terms of prevention, the importance of aid to third countries, the fight against people-trafficking networks and encouragement for regional cooperation, as well as the need for better information at source on legal immigration channels;
- the need to accept that illegal immigration could never be completely eradicated, so as not to give rise to unrealistic expectations;
- doubts about the effectiveness of an automated system of entry and departure at border crossing points which were not the ones used by illegal immigrants;
- the issue of the regularisation of illegal immigration and its funding, and the need for consultation between Member States in this area;
- as regards return policy, the importance of cooperation between countries of origin and transit, and readmission agreements and, in this context, the application of Article 13 of the Cotonou Agreement;
- the need to develop biometric technologies which opened up possibilities as regards border control but were still hampered by problems such as system interoperability and the protection of personal data.

Mr FRATTINI thanked the Members of the Commission for all these contributions, which would be very useful in preparing the communication. He highlighted the unprecedented success of this consensus on the need for a European approach to the problem of illegal immigration. This was a new opportunity for the European Union to help to increase prosperity and stability beyond its borders, and human beings and their dignity had to be at the heart of Community policy in this area. He hoped there would be a system of advance consultation between Member States as regards regularisation and mentioned the ongoing dialogue with certain countries on the subject of readmission.

The PRESIDENT ended by stressing the importance of this matter, the quality of the debate and its usefulness for Mr FRATTINI in drawing up the communication on illegal immigration. He mentioned the Commission's undertaking to the Council to devote 3% of resources allocated to financial instruments in the external policy field to immigration issues, and the need to make the best use of all available instruments to meet expectations. He also mentioned the importance of the readmission agreements. He asked all Commission Members involved in the various aspects of illegal immigration to cooperate with Mr FRATTINI and suggested that a restricted coordination meeting be held on the matter.

The Commission took note of the outcome of the policy debate and the information note from Mr FRATTINI in SEC(2006)655/2.

**11. PROPOSAL FOR A COUNCIL DECISION ON A MINIMUM COMMON LIST OF THIRD COUNTRIES WITHIN THE MEANING OF ARTICLE 29 OF COUNCIL DIRECTIVE 2005/85/EC ON MINIMUM STANDARDS ON PROCEDURES IN MEMBER STATES FOR GRANTING AND WITHDRAWING REFUGEE STATUS
(COM(2006)247 TO /3; SEC(2006)644 AND /2; SEC(2006)648)**

Mr FRATTINI presented the proposal for a Council Decision he was tabling. This was an extremely sensitive issue and he stressed the need for a collective commitment to the proposal. He reminded the Commission Members that this measure concerned equal treatment for asylum requests across the European Union in order to avoid the same person introducing dossiers in several Member States in order to receive the most advantageous treatment and then, in the absence of internal borders, crossing into the intended country which had refused the initial request. The Directive adopted in 2005, though important, was only a first step, the next being the establishment of a single refugee status valid throughout the Union.

He pointed out that the Commission had a duty, under Article 29 of the reference Directive, to present an initial list of "safe countries". He explained that this list would not undermine the careful evaluation of dossiers case by case, but would save time in the part of the investigation relating to the general situation of the country. The basis used to establish this list was the result of work carried out in 2004 during the Dutch Council Presidency and he explained the methodology behind the evaluation of the countries concerned.

While reiterating that a country's appearance on the list did not change the guarantee that each case would be examined individually, Mr FRATTINI was prepared to leave Mali off the list for the time being, in particular because of the lack of progress as regards female genital mutilation.

He closed by pointing out that the list was subject to change, as provided for in the Directive, and said that the countries appearing on it would continue to be monitored closely and continuously. The Council was pressing strongly for rapid action.

The ensuing discussion revealed the following concerns:

- serious doubts about the content of the list and the reasons for the choices made in terms of the Directive's criteria, although the idea of a list was generally supported;
- the possible consequences of this list and the risk of the burden of proof being reversed, to the detriment of applicants, given that the countries in question still posed serious problems in terms of respect for human rights;
- the link between this list and current national lists;
- the need to study a larger number of third countries and continents;
- the great difficulty in drawing up a communication which highlighted the benefits of the list as it now stood, even if Mali were excluded for the time being;

- the need for additional consideration and discussion of such a sensitive question so that sound conclusions could be reached on a wider basis and, at the same time, the need to present a proposal to the Council quickly.

In the light of these concerns, the PRESIDENT wound up the debate by saying that every necessary effort would be made to meet the Council's expectations as soon as possible, preferably during the Austrian Presidency, which attached great importance to the matter. He noted the Commission's support for the principle of the list and asked Mr FRATTINI to look at the possibility of presenting a new proposal in the coming weeks.

Mr FRATTINI agreed to this. The present situation, with completely different national lists, was untenable. He welcomed the Commission's support for the principle of the list and agreed to present an amended version, taking into account the suggestions made, in the coming weeks.

**12. PROPOSAL FOR A PARLIAMENT AND COUNCIL REGULATION
AMENDING REGULATION (EC) NO 1073/1999 ON INVESTIGATIONS
CONDUCTED BY THE EUROPEAN ANTI-FRAUD OFFICE (OLAF)
DRAFT COMMISSION DECISION AMENDING DECISION 1999/352/EC,
ECSC, EURATOM ESTABLISHING THE EUROPEAN ANTI-FRAUD
OFFICE (OLAF)
(COM(2006)244 TO /4; SEC(2006)638 AND /2; SEC(2006)641)**

Mr KALLAS presented the initiatives regarding the European Anti-Fraud Office (OLAF) which he was tabling. He stressed that the proposal for a Regulation was intended in particular to clarify the legal framework and improve OLAF's operation; its working relations with the Commission and the other institutions were now governed by a constant and fruitful spirit of cooperation.

The new principles of the legislative proposal concerned:

- improving OLAF's political governance, which was based on a structured and regular dialogue between the political representatives of the institutions and the Office's supervisory committee;
- increasing OLAF's effectiveness, in particular by introducing the principles of proportionality and discretion to govern the opening, the follow-up and the closure of investigations, while taking into account the cases' relative importance;
- improving the procedural framework in which OLAF operated, in particular by creating the post of Review Adviser, who would ensure respect for the rights of people concerned by investigations, and by new rules on transparency and accountability;
- the post of Director-General of the Office, which would now be balanced by the Review Adviser and the Supervisory Committee.

The Commission considered the scope of the right to information provided for in the amendment to paragraph 5 of Article 9 of the Regulation (point 8d of the proposal for a Regulation, page 18 of the French version and page 17 of the English version of COM(2006)244/4). It decided to make the following amendment: *"Un informateur qui a transmis à l'Office des informations relatives à des suspicions de fraude ou d'irrégularité peut, sur demande, être informé par l'Office qu'une enquête a été clôturée ainsi que, le cas échéant, un rapport final a été transmis aux autorités compétentes. L'Office peut toutefois rejeter la demande, lorsqu'il considère que cette demande est de nature à porter préjudice aux droits légitimes des personnes concernées, à l'efficacité de l'enquête et de ses suites ou aux exigences de confidentialité."* (FR text) / *"An informer who has provided information to the Office relating to a suspected fraud or irregularity may, upon request, be informed by the Office that an investigation has been closed and, where appropriate, a final report has been sent to the competent authorities. The Office may however refuse the request where it considers that disclosure may harm the legitimate interests of the persons concerned, the effectiveness of the investigation and its follow-up or confidentiality requirements."* (EN text).

(24 May 2006)

The Commission noted that, as general rule, the Commission Member concerned would be informed of the opening of an investigation, except where overriding reasons justified increased confidentiality.

Subject to the above amendment and clarification being taken into account, the Commission adopted the proposal for a Parliament and Council Regulation in COM(2006) 244/4, for transmission to the Council, the European Parliament, the Court of Auditors and the European Data Protection Supervisor, together with the draft Commission Decision in SEC(2006) 638/2, the contents of which were duly noted.

The Commission also decided to empower Mr KALLAS to adopt a proposal modifying regulation (Euratom) no. 1074/1999, aligned with the text of the aforementioned proposal contained in document COM(2006) 244/4 and taking into account the abovementioned modification, for transmission to the Council, the European Parliament, the Court of Auditors and the European Data Protection Supervisor.

13. RELATIONS WITH THIRD COUNTRIES

13.1. VISITS TO BULGARIA AND ROMANIA (BUCHAREST AND SOFIA, 17 MAY) ***(SEC(2006)682)***

The Commission took note of the information note from the PRESIDENT and Mr REHN in SEC(2006)682.

13.2. VISIT TO LIBYA (TRIPOLI, 21 AND 22 MAY) ***(SEC(2006)681)***

The Commission took note of the information note from Mr FRATTINI in SEC(2006)681.

**13.3. VISIT TO CHINA (SHENYANG AND BEIJING, 14 TO 17 MAY)
(SEC(2006)680)**

The Commission took note of the information note from Ms HÜBNER in SEC(2006)680.

**13.4. RESULTS OF THE REFERENDUM IN MONTENEGRO
(SEC(2006)683)**

Mr REHN informed Commission Members of the results of the referendum held in Montenegro on 21 May. From the information received, in particular from various international observation missions, it could be confirmed that the referendum took place with no major irregularities and that the criteria established by common agreement between the different parties (participation of more than 50% and a result of at least 55% in favour of independence) had been fulfilled.

Mr REHN welcomed the constructive statements by the Serbian President and Prime Minister and hoped that Belgrade and Podgorica would quickly begin direct negotiations on the practical consequences of the referendum results. In this context, the European perspective remained open for an independent Montenegro, just as it was for Serbia when it fully complied with the various criteria that had been laid down, particularly as regards cooperation with the International Criminal Tribunal for the former Yugoslavia.

Mr REHN said he would soon be tabling two proposals for Council Decisions: one on a new negotiating mandate for the stabilisation and association agreement with an independent Montenegro (which could be adopted by the Commission even before official recognition of independence, according to public international law) and the other on an amended negotiating mandate for the stabilisation and association agreement with Serbia as successor State to the State Union of Serbia and Montenegro.

(24 May 2006)

The Commission then held a brief exchange of views during which it discussed the need to approach the question of Montenegro's national currency carefully and pragmatically.

The Commission took note of the information note from Mr REHN in SEC(2006)683.

**13.5. MECHANISM FOR DIRECT AID TO PALESTINIANS
(SEC(2006)677)**

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2006)677.

**13.6. VISIT TO CHINA (BEIJING, SHANGHAI AND HONG KONG, 13 TO 19
MAY)
(SEC(2006)678)**

The Commission took note of the information note from Mr McCREEVY in SEC(2006)678.

**13.7. VISIT TO SOUTH-EAST ASIA (PHILIPPINES AND MALAYSIA, 14 TO
18 MAY)
(SEC(2006)679)**

The Commission took note of the information note from Mr MANDELSON in SEC(2006)679.

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The meeting closed at 12.18