



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

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Brussels, 7 May 2008

MINUTES

of the 1828th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 30 April 2008

(morning)

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PV(2008)1828 final

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Single sitting: Tuesday 30 April (afternoon)

The sitting opened at 0909 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 DIMAS		
Mr ALMUNIA		
Ms HÜBNER		
Mr BORG		
Mr POTOČNIK		
Mr FIGEL'		Items 1 to 15 (in part)
Mr REHN		Items 1 to 13 (in part)
Mr MICHEL		Items 1 to 12 (in part)
Mr KOVÁCS		
Ms KROES		
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		
Mr McCREEVY		Items 1 to 14 (in part)
Mr ŠPIDLA		
Mr MANDELSON		Items 1 to 15 (in part)
Mr PIEBALGS		
Ms KUNEVA		Items 10 (in part) to 15
Mr ORBAN		
Ms VASSILIOU		Items 10 (in part) to 15

Absent

Mr FRATTINI

Vice-President

Ms REDING

Ms GRYBAUSKAITĖ

(30 April 2008)

The following sat in to represent absent Members of the Commission:

Mr STROHMEIER	Chef de cabinet to Ms REDING
Mr QUEST	Chef de cabinet to Ms GRYBAUSKAITĖ

The following also sat in:

Mr VALE DE ALMEIDA	Chef de cabinet to the PRESIDENT	
Ms DURAND	Acting Director-General, Legal Service	
Mr SØRENSEN	Director-General, DG Communication	
Mr LAITENBERGER	Commission Spokesman	Items 1 to 14
Ms AHRENKILDE	DG Communication	Item 15
Ms CARVALHO	Bureau of European Policy Advisers	
Mr THEBAULT	Deputy Chef de cabinet to the PRESIDENT	Items 11 to 15
Mr CABRAL	Adviser <i>hors classe</i> in the PRESIDENT's Office	Items 13 and 14
Ms MARTINHO	Chief adviser in the PRESIDENT's Office	Items 1 to 10 and 15 (in part)
Ms WEYAND	Adviser in the PRESIDENT's Office	Item 11
Mr ROSA	A member of Mr MICHEL's staff	Items 12 (in part) to 15
Ms MARTÍNEZ CARBONELL	A member of Ms FERRERO-WALDNER's staff	Item 15
Mr DUPLA DEL MORAL	DG External Relations	Item 15

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

1. AGENDAS

(OJ(2008)1828/3; SEC(2008)519)

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(2008)1828)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 28 April.

**3. APPROVAL OF THE MINUTES OF THE 1826TH AND 1827TH
COMMISSION MEETINGS (16 AND 22 APRIL)**

(PV(2008)1826; PV(2008)1827)

The Commission approved the minutes of its 1826th and 1827th meetings.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

4.1. STATE AID – HORIZONTAL DOSSIER

**(SEC(2008)512 TO /4; SEC(2008)517 AND /2; SEC(2008)516;
SEC(2008)551)**

Community guidelines on state aid for railway undertakings

The Commission:

- adopted in principle the Community guidelines on state aid for railway undertakings, as set out in SEC(2008)512/4;
- empowered Mr BARROT to formally adopt these guidelines in all the official languages, to send the document to the Member States, to have it published in the Official Journal of the European Union and to inform the EFTA Supervisory Authority;
- took note of the impact assessment and the summary thereof in staff papers SEC(2008)517/2 and SEC(2008)516.

4.2. STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST (SEC(2008)555; SEC(2008)551)

The Commission adopted the decisions in the recapitulative list in SEC(2008)555.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2008)520 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 21 and 25 April.

5.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2008)521 TO /3)

The Commission took note of the sensitive written procedures for which the time limit expired between 28 and 30 April and of the "finalisation" written procedures initiated following the weekly meeting of Chefs de cabinet on 28 April.

5.3. EMPOWERMENT

(SEC(2008)522 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 21 and 25 April.

5.4. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation/subdelegation procedure between 21 and 25 April, as archived in Greffe 2000.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2008)523/4)

ADMINISTRATIVE MATTERS

(PERS(2008)71/2)

6.1. DG ENLARGEMENT – APPOINTMENT OF AD14/15 DIRECTOR

(PERS(2008)9 TO /5)

The Commission had before it applications for the post of Director (Croatia, Former Yugoslav Republic of Macedonia, Turkey) in DG Enlargement, published under Article 29(1)a (i) and (iii) of the Staff Regulations (PERS(2008)9 to /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 1 and 17 April 2008 (PERS(2008)9/4 and /5).

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

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

6.2. DG INTERNAL MARKET AND SERVICES – APPOINTMENT OF AD15 DIRECTOR

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr McCREEVY, the Commission decided, under Article 7 of the Staff Regulations, to fill the post of Director (Financial services policy and financial markets) in DG Internal Market and Services by transferring in the interest of the service Mr Emil PAULIS, AD15 official and currently Director (Policy and strategy) in DG Competition.

This decision would take effect on 1 June 2008.

6.3. *DG PERSONNEL AND ADMINISTRATION – INTERIM DIRECTOR OF THE INVESTIGATION AND DISCIPLINARY OFFICE*

The Commission took note of the information in point 3 of PERS(2008)71/2 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, took note of the decision by the Director-General for Personnel and Administration to appoint to the post of Interim Director of the Investigation and Disciplinary Office, with effect from 1 May 2008, Mr Bernhard JANSEN, currently Director (Staff Regulations: policy, management and advice) in DG Personnel and Administration.

6.4. *PLANNING AND OPTIMISING COMMISSION HUMAN RESOURCES TO SERVE EU PRIORITIES - 2008 REPORT (SEC(2008)558 AND /2; SEC(2008)543)*

The Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, took note of the report in SEC(2008)558/2.

7. *PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL REGARDING PUBLIC ACCESS TO EUROPEAN PARLIAMENT, COUNCIL AND COMMISSION DOCUMENTS – RECASTING (COM(2008)229 TO /4; SEC(2008)531)*

The Commission adopted the proposal for a Regulation set out in COM(2008)229/4 for transmission to Parliament, the Council, the European Ombudsman and the European Data Protection Supervisor, and to the national parliaments.

**8. COMMISSION DECISION AMENDING ITS RULES OF PROCEDURE AS REGARDS DETAILED RULES FOR THE APPLICATION OF REGULATION (EC) NO 1367/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE APPLICATION OF THE PROVISIONS OF THE AARHUS CONVENTION ON ACCESS TO INFORMATION, PUBLIC PARTICIPATION IN DECISION-MAKING AND ACCESS TO JUSTICE IN ENVIRONMENTAL MATTERS TO COMMUNITY INSTITUTIONS AND BODIES
(C(2008)1708 TO /3; SEC(2008)531)**

The Commission:

- adopted the amendment to its Rules of Procedure as regards the detailed rules for applying Regulation (EC) 1367/2006, as set out in C(2008)1708/3;
- empowered the Commission Members responsible, under Article 13 of its Rules of Procedure and the relevant implementing rules, to adopt the decisions establishing that the internal review carried out had uncovered no breach of environmental legislation;
- delegated to the Directors-General or department heads responsible, under Article 14 of its Rules of Procedure and the relevant implementing rules, the power to adopt decisions concerning the admissibility of requests for internal review.

9. COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS ON THE APPLICATION OF REGULATION (EEC) NO 95/93 ON COMMON RULES FOR THE ALLOCATION OF SLOTS AT COMMUNITY AIRPORTS, AS AMENDED (COM(2008)227 TO /3; SEC(2008)526)

The Commission approved the communication in COM(2008)227/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

10. INTERINSTITUTIONAL RELATIONS

10.1. LEGISLATIVE MATTERS

i) Action to be taken on the legislative opinions of Parliament
(SP(2008)2451)

The Commission decided to empower the Commission Members responsible for the sectors in question, in agreement with the PRESIDENT and Ms WALLSTRÖM and, if necessary, with the other Members concerned, to adopt the amended proposals for transmission to Parliament and the Council, as set out in SP(2008)2451, drawn up following the April II part-session of Parliament, the contents of which were noted.

10.2. RELATIONS WITH THE COUNCIL

ii) Programming of Council business
(SI(2008)258)

The Commission took note of the information in SI(2008)258 on the Council meetings between 24 April and 7 May.

**iii) Results of the General Affairs and External Relations Council –
External Relations meeting (Luxembourg, 29 April)**

Relations with Serbia

Mr REHN reported to the Commission on the results of the General Affairs and External Relations Council on the Western Balkans. He was pleased to report the Council's unanimous support for the signature of the stabilisation and association agreement with Serbia. He felt that the support expressed in this way within the Council, including in such areas as cooperation on visa liberalisation, sent an important signal to Serbia, particularly ahead of the Serbian Parliamentary elections on 11 May.

He pointed out that the Council had based its agreement on a proposal put forward by the Commission. He stressed that the Council had insisted on the full cooperation of the Serbian authorities with the International Criminal Tribunal for the Former Yugoslavia; cooperation by Serbia on this matter, to be confirmed by the Council, was a precondition for the ratification by the Member States of the stabilisation and association agreement.

The PRESIDENT welcomed the agreement reached within the Council and thanked Mr REHN and the departments for which he was responsible. He stressed the importance of Serbia not only for the Western Balkans and the stability of that region but also for Europe as a whole. He was sure that the stabilisation and association agreement would encourage the development of democratic values in Serbia and enhance the country's European perspective.

The PRESIDENT also confirmed the Commission's unanimous support for the line proposed by Mr REHN in the Council.

Relations with Russia and Georgia

Ms FERRERO-WALDNER reported to the Commission on the work of the General Affairs and External Relations Council on relations with Russia and Georgia.

She expressed regret that the Council had been unable to adopt the negotiating directives for a new framework agreement on partnership and cooperation between the EU and Russia, having failed to reach the necessary unanimity. She felt that negotiating an agreement of this kind, paving the way for a frank and in-depth dialogue with Russia, would give the EU the best chance of resolving the problems which had arisen in its relations with this strategic partner.

She felt that the situation called for an extra effort from all the Member States, given the importance of relations with Russia. She asked the PRESIDENT and the other Members of the Commission to stress this point in their contacts at the highest level with the countries most concerned and to support the efforts of the Council Presidency to reach agreement in the near future on the opening of negotiations with Russia.

Ms FERRERO-WALDNER also gave the Commission an account of the Council's discussions on the subject of Georgia. She was very worried about a number of recent developments, not least the tensions which had arisen between Georgia and Russia, Russian troop movements close to the frontier, and the Russian authorities' decision, announced on 16 April, to establish semi-official links with the regional authorities of South Ossetia and Abkhazia without consulting the Georgian government. She felt there was a real risk of escalation and called on the Council Presidency, the High Representative for the Common Foreign and Security Policy and the Troika to step up their contacts with the Russian Government in the next few weeks.

The PRESIDENT agreed with Ms FERRERO-WALDNER. He stressed the importance of a unanimous approach by the Union in its relations with Russia. He also reiterated the Commission's determination to do all it could to reduce tensions in this part of the South Caucasus.

Situation in Zimbabwe

Mr MICHEL then proceeded to give a brief presentation of the discussions within the Council on the situation in Zimbabwe. He reported on his recent contacts with representatives of several Southern African countries and the latest information concerning the counting of votes in the parliamentary elections, as well as the prospect of a possible second round in the presidential elections. He mentioned the EU's efforts to promote a peaceful and democratic solution to the dispute between the opposing political forces in Zimbabwe, and emphasised the importance of other regional players.

In particular, Mr MICHEL considered that a valuable contribution could be made by the Southern African Development Community (SADC) and the African Union. He mentioned the possibility, if there were to be a second round in the presidential elections in Zimbabwe and if these two organisations were to send an electoral mission, that the EU might make a contribution, possibly in the form of financial support and the provision of experts.

The Commission took note of the information provided by Mr REHN, Ms FERRERO-WALDNER and Mr MICHEL. It held a brief discussion during which the following aspects in particular were raised:

On Serbia

- the scope of the stabilisation and association agreement with Serbia;
- the importance of giving encouragement to the democratic and pro-European forces in Serbia, particularly with an eye to the forthcoming elections;
- the complementarity between the various dimensions of cooperation between the EU and Serbia, particularly as regards visa liberalisation and the transport community with the Western Balkans;

- the importance of the expectations of the younger generation in Serbia regarding closer relations with the EU;
- the importance of the follow-up action to the signing of the stabilisation and association agreement needed from the Serbian government, and in particular compliance with its provisions and notably full cooperation with the International Criminal Court;

On Russia and Georgia

- the implications for areas outside this region of the tensions threatening peace and stability in the South Caucasus;
- the link between the developments in Georgia and those in other parts of the South Caucasus region;
- support for the efforts of the Council Presidency, the Member States and other organisations, as well as non-member countries, to help bring about a peaceful resolution of the tensions;

On Zimbabwe

- unanimous support for the efforts to preserve the credibility of the electoral process and to encourage the restoration of democracy in Zimbabwe.

10.3. RELATIONS WITH PARLIAMENT

iv) Results of the April II part-session of Parliament

(SP(2008)2499; SP(2008)2501; SP(2008)2502; SP(2008)2503)

The Commission took note of the information supplied in SP(2008)2499, SP(2008)2501, SP(2008)2502 and SP(2008)2503 relating to Parliament's part-session held in Strasbourg from 21 to 24 April.

11. RELATIONS WITH THIRD COUNTRIES

11.1. 17TH EU-JAPAN SUMMIT (TOKYO, 23 APRIL)

(SEC(2008)580)

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2008)580.

11.2. VISIT TO CHINA (BEIJING, 24 TO 25 APRIL)

The PRESIDENT briefed the meeting on his official visit to China on 24 and 25 April with several Members of the Commission. First of all he indicated that the visit had been a resounding success and thanked Ms FERRERO-WALDNER and Mr MANDELSON for their efforts, and the other Members of the Commission for the excellent preparations for what they had achieved and for the superb on-the-spot coordination, which had been the result of true team spirit. He also thanked the Head of the Commission Delegation to China, Mr Serge ABOU, and his staff, for their intensive and productive work on preparing and organising the visit.

He reminded those present of the reasons for the Commission's decision to make this trip and remarked that it had been the right one as it represented a substantial and tangible political investment in dialogue with China. He said that the clear line taken by the Commission – open to dialogue but standing firm on principles – had been understood by the Chinese authorities and had produced results, particularly on climate change and the High Level Economic and Trade Mechanism. On Tibet, he noted the Chinese authorities' announcement that they would enter formal dialogue with representatives of the Dalai Lama.

He concluded that the success of this visit had strengthened links between the European Union and China in several areas and at many levels, and that this positive dialogue should continue in the coming months.

(30 April 2008)

The PRESIDENT ended by commenting on the 17th Summit between Japan and the European Union which had taken place in Japan on 23 April, and emphasising the importance of the EU's relations with Japan (see point 11.1 above).

Mr POTOČNIK spoke about the importance of bilateral EU-China relations in the field of science and research, as China was the EU's second most important partner in this area, after Russia and before Japan and the United States.

Ms FERRERO-WALDNER's view was that this visit confirmed the need for a measured and constructive European approach, which was the only way to make progress in the various areas concerned while calming tension over issues such as the situation in Tibet.

Mr MANDELSON started by mentioning the economic, trade and political situation in Japan, and the need for the Commission to continue its dialogue with Japan with a view to opening the Japanese market more to foreign products and investment.

As regards China, Mr MANDELSON briefly recapped on recent EU-China relations and stressed the importance for the EU of speaking with one voice, offering openness and dialogue but standing firm on principles. He also praised the excellent preparations for the China visit and the on-the-spot coordination. He also emphasised the need for the Commission to prioritise the areas in which it wished to see China make progress. He ended by saying that he would be in China in the autumn to prepare for the meeting on the High Level Economic and Trade Mechanism which would take place at the beginning of 2009.

Mr DIMAS made reference to the agreement reached on combating illegal logging, the discussions which had taken place on protecting the environment and the desired cooperation on climate change, in terms of objectives and mechanisms to be set up to facilitate technology transfer.

Mr KOVÁCS hailed the success of the Commission's visit to China and stressed the need to continue constructive dialogue with China on the question of Tibet and the importance of discussions in the framework of the High Level Economic and Trade Mechanism. He also reminded the meeting of the progress made recently as regards cooperation with the Chinese authorities on combating counterfeiting.

The Commission also considered the following aspects:

- the need to propose to China, within the framework of a trilateral EU-China-Africa partnership, specific cooperation projects in the field of development aid in clearly identified areas, such as infrastructure, environment and sustainable energy;
- recognition of China's territorial integrity and, in parallel, the need for the Chinese authorities to initiate dialogue with the Dalai Lama and to respect the cultural and religious identity of Tibet.

The Commission took note of this information.

11.3. VISIT TO SERBIA (BELGRADE AND KRAGUJEVAC, 22 AND 23 APRIL)

(SEC(2008)577)

The Commission took note of the information note from Ms HÜBNER in SEC(2008)577.

12. TRENDS IN THE MEMBER STATES

(SEC(2008)546)

Ms WALLSTRÖM drew the Commission's attention to the main themes dealt with in the current edition of her information note on recent trends in public opinion in the Member States, i.e. (i) European biofuels policy , (ii) the increase in the prices

of basic consumer goods (food, energy), (iii) the Commission's approach to social reality and related issues and (iv) the situation in China as the summer Olympics approached. She also gave an update on the processes for ratifying the Lisbon treaty.

In particular, Ms WALLSTRÖM pointed out the connection wrongly made by certain media between the increase in prices of consumer goods and European biofuels policy. She noted with concern that this link was causing a section of public opinion to call into question the European Union's energy policy goals.

The Commission held a brief exchange of views on this issue, during which it shared the concerns and overall assessment expressed by Ms WALLSTRÖM. Firstly, the Commission restated the soundness of the positions already taken by the Union on energy policy. Secondly, it highlighted the major effort that was needed in terms of communication in order to help public opinion understand the goals agreed at EU level.

The PRESIDENT announced his intention to hold a debate on the increase in food prices very soon. He felt that the extreme sensitivity shown by public opinion on this matter called for an especially rigorous approach by the Commission.

The Commission also looked in greater depth at the issues mentioned by Ms WALLSTRÖM concerning the ratification of the Lisbon Treaty. In this context, it looked in particular at the situation of the treaty ratification process in Ireland.

Following an exchange of views, the PRESIDENT expressed the hope that the coming weeks, leading up to the referendum, would be put to good use by all the relevant parties, including the Irish government, to convey a clear message in support of the new treaty.

The Commission took note of this information and of Ms WALLSTRÖM's note SEC(2008)546.

13. ANY OTHER BUSINESS

13.1. SPRING 2008 ECONOMIC FORECASTS AND THEIR IMPLICATIONS FOR BUDGETARY SURVEILLANCE

(SEC(2008)578; SEC(2008)579)

Mr ALMUNIA presented the spring economic forecasts for 2008 and 2009, which inter alia predicted economic growth of 2% in 2008 and 1.8% in 2009 across the EU as a whole (1.7% and 1.5% respectively in the euro area). He pointed out that these figures constituted a half point reduction in relation to those announced in the autumn forecast and recalled that the final figures for 2007 were 2.8% for the EU and 2.6% for the euro area.

He noted that the current economic slowdown following turbulence on the financial markets was also linked to internal factors (lack of consumer confidence, increase in the prices of basic goods) and external ones (in particular the economic slowdown in the United States). However, he believed that the European economy was holding up well and could be expected to maintain its potential for growth thanks to its sound fundamentals. He also noted that inflation would probably rise, fuelled inter alia by rising energy and food prices.

He also mentioned the risks associated with imbalances in the public finances of certain Member States and the need for the Commission to decide in the near future on any proceedings to be launched in this area.

Mr ALMUNIA finished by mentioning the positive assessment in the 2008 convergence report of the situation in Slovakia, which henceforth fulfilled the conditions for entry into the euro next year, and indicated that an appropriate proposal would be made to the Council.

The Commission took note of this information and of Mr ALMUNIA's notes in SEC(2008)578 and SEC(2008)579.

13.2. MEASURES RELATING TO THE ACTIVITY OF A MEMBER OF THE COMMISSION

The PRESIDENT informed the Commission that Mr FRATTINI had requested an extension of his unpaid leave from 29 April to 15 May 2008.

The PRESIDENT informed the Commission Members that he had accepted this extension in the interest of the institution, so that the Commission could continue to function effectively in the areas of justice, freedom and security, particularly in the light of the institution's major short-term commitments.

The PRESIDENT decided that, during the period in question, Mr BARROT would continue to replace Mr FRATTINI in matters relating to justice, freedom and security.

Mr FRATTINI would therefore withdraw from the work of the Commission between 29 April and 15 May 2008. During that period, he would receive no salary or any other form of remuneration from the European Community.

The Commission took note of this information.

14. COMMISSION DECISION ON A PROCEEDING UNDER ARTICLE 8(1) OF COUNCIL REGULATION (EC) 139/2004 ON THE CONTROL OF CONCENTRATIONS BETWEEN UNDERTAKINGS AND ARTICLE 57 OF THE EEA AGREEMENT (CASE COMP/M.4956 – STX/AKER YARDS) (C(2008) 1693 TO /6)

The Commission held a brief exchange of views on the draft decision proposed by Ms KROES, which was to be adopted by a "finalisation" written procedure to be completed by Monday 5 May (E/776/2008).

The Commission noted that shipbuilding was one of the sectors where European industry faced very strong international competition, and that this circumstance

made it all the more necessary to ensure that non-European firms complied with international competition rules, in particular those relating to subsidies.

15. POLICY DEBATE WITH A VIEW TO THE PRESENTATION OF PROPOSALS RELATING TO THE UNION FOR THE MEDITERRANEAN (SEC(2008)510)

Introducing the debate, the PRESIDENT reminded those present that the discussions they were to have that day fell within the remit given to the Commission by the European Council in March following constructive cooperation with the future French Council Presidency, which, together with Germany, had instigated this proposal for a Union for the Mediterranean.

He began by expressing his support for the informal document drawn up under the authority of Ms FERRERO-WALDNER which, he stressed, struck an excellent balance between the new ambitions presented by this initiative and the *acquis communautaire*, in particular the Barcelona process.

The PRESIDENT observed that the debate that day should focus above all on the structures and practical arrangements of the initiative - in particular its relationship to the Barcelona process - and on highlighting its added value. Although matters of project content and funding were crucial and would have to be examined with an eye to the formal communication to be presented on 20 May, it was important that the Commission first reach a consensus on the architecture and general philosophy of the initiative.

He insisted here that the initiative would not undermine the Barcelona process - the legitimacy of which he stressed - but should, on the contrary, give it fresh impetus and inject the political drive that had hitherto been lacking by opening up new prospects for regional development that transcended existing tensions. He felt that Europe's experience and successes gave grounds for a certain degree of optimism.

On the question of the added value of the Union for the Mediterranean compared with the existing Barcelona process, the PRESIDENT first noted the political dimension of the initiative and the idea of giving greater responsibility to the partners on the southern shore of the Mediterranean by involving them in the governance of that Union, both at Presidency level and in the proposed secretariat.

He then pointed out that the projects to be developed would have to have a regional and multilateral dimension, and emphasised in particular the progress that could be achieved by implementing common projects that were of benefit to the entire region.

While acknowledging the limits of this approach, the PRESIDENT stressed the Commission's duty to seize the opportunity to make the Barcelona process more effective.

However, in this context it was important for the Commission to reach a balance between investing too much institutionally, thereby sowing confusion, and the need to accompany the initiative. He felt that the principle of joint governance – and hence collective ownership – that underpinned the initiative meant that the Commission's role would tend more towards providing technical expertise than being in overall charge.

On the key question of project funding, he reminded the meeting that Community resources were limited and that it would be necessary to mobilise private funds and other resources from the Member States and the banking sector.

He felt it would be advantageous to have an independent secretariat, which would be supported by the Commission but would also assume full financial responsibility for the projects selected, being entirely independent of the Commission's own budget responsibilities.

The PRESIDENT ended his introduction by stressing the need for the Commission to come up with answers and to contribute to the success of the initiative, while taking account of the realities and constraints imposed on it. He therefore welcomed

the balanced and realistic approach proposed by Ms FERRERO-WALDNER and asked the Members of the Commission to frame the debate in those terms in order to establish clear guidelines for further work on the initiative.

Ms FERRERO-WALDNER also recalled the remit given to the Commission by the Council in order to draw up detailed operating arrangements for the Union for the Mediterranean ahead of the summit to be held in Paris on 13 July. That remit had formed the backdrop to the informal document circulated for that day's meeting, which would itself serve as a basis for the formal communication to be submitted for approval by the Commission in May and for consultation of the Member States and the partner countries in the southern Mediterranean.

She explained that the aim of the informal document was to clarify a number of aspects and lay down markers for discussion and for consultation of all partners.

In this context it was necessary first of all to make it quite clear that the initiative was concerned with multilateral relations with the countries concerned; it merely reinforced existing bilateral relations under the neighbourhood or pre-accession policy and therefore did not call into question the continuation of accession or pre-accession negotiations with Turkey or the countries of the Western Balkans.

Regarding the added value of the initiative, Ms FERRERO-WALDNER mentioned two aspects: the renewed political will to inject new drive and political momentum in the EU's relations with its southern Mediterranean partners, and the commitment of the private sector to regional-scale projects that could stimulate the region's economic growth and viability, as a replacement for Community funding, which should remain at a constant level.

Ms FERRERO-WALDNER then presented the three main proposals contained in the informal document, which consisted of: (i) putting relations with the Mediterranean partners on the highest footing, with biennial summits; (ii) giving partner countries greater ownership of the initiative by establishing a joint Presidency – with due regard for the current and future Treaties and taking into account the complex political situation in the partner region – and a secretariat, of

which the operational arrangements had still to be defined; and (iii) concentrating efforts on the implementation of projects which met the needs of citizens and businesses and would be open to participation by the private sector and international financial institutions.

She ended by saying that consultations were under way with all the Member States and Mediterranean partners and raised the possibility of future visits to the latter, mentioning in particular projects on transport and maritime safety, some of which were already being given priority treatment in other contexts, while others might be proposed at the summit on 13 July.

The Commission then held a discussion, during which the following points were raised:

- support for the informal document as a basis for discussion on pursuing the work in progress, and for the pragmatic approach adopted;
- in this context, the importance of defining the concept in more detail and providing tangible evidence of its added value by 20 May;
- the prospects opened up by this initiative for pushing beyond the limits reached by the Barcelona process, but also the care which the Commission must take and the lessons to be drawn from the experience gained since 1995;
- the Commission's role in this process, the need for close monitoring and good cooperation with the Member States;
- the sound balance struck by the informal document as regards the relationship between the initiative and other aspects and dimensions of the neighbourhood policy;
- the positive nature of the joint governance element, the summit meetings and the collective ownership of the initiative by the Southern Mediterranean countries, but also the importance of finding ways of mobilising the partner countries in that direction;

- the need to ensure that the governance aspects were compatible with the provisions of the Lisbon Treaty in order to guarantee the continuity of the system that was set up;
- the need to hold in-depth consultations with partners on the various aspects of the secretariat, in particular its location and remit;
- the need to flesh out the initiative with tangible projects, which might include continuing projects already in preparation or extending to partner countries practices already existing in the EU, particularly in the field of transport, maritime policy, health, research and development; also, the bright prospects for cooperation in education, culture and youth policy;
- the importance of project selection, which would have to firmly establish their regional nature;
- the key importance of diversifying sources of funding - both public and private - in order to supplement existing Community funds, but also the difficulties in mobilising such funds and interweaving various types of investment;
- the vital importance of the multilateral dimension, but also the obstacles to regional cooperation which might persist in the context of the Middle East peace process and the dispute over the Western Sahara.

Ms FERRERO-WALDNER thanked all the Members of the Commission for their contributions to the debate. She agreed that joint governance, the secretariat and funding were the three key issues on which work would have to be pursued. On the question of funding, she noted the importance of combining public and private funds. Regarding the secretariat, the best course of action was to continue for the moment to examine the various options.

As regards the balance to be struck with the other dimension of the EU's neighbourhood policy, she pointed to the importance of maintaining the impetus created by the synergy for the Black Sea.

Finally, she noted the importance in the weeks ahead of continuing to consult and listen to the Member States and partner countries.

Winding up the debate, the PRESIDENT also stressed the need to pursue contacts with a view to drawing up a final proposal. He noted that there was already broad agreement among the Commission around the pragmatic and coherent approach adopted by Ms FERRERO-WALDNER.

The Commission took note of the results of the policy debate.

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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 12.52 hours.