EUROPEAN COMMISSION

SECRETARIAT-GENERAL

**PV(2010)1910 final**

Brussels, 24 March 2010

**<u>MINUTES</u>**

**of the 1910th meeting of the Commission**

**held in Brussels**

**(Berlaymont)**

**on Wednesday 17 March 2010**

**(morning)**

# TABLE OF CONTENTS

**Attendance list** **7-9**

1. AGENDAS (OJ(2010)1910/3; SEC(2010)267/2) .......... 10

2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2010)1910) .......... 10

3. APPROVAL OF THE MINUTES OF THE 1908TH AND 1909TH COMMISSION MEETINGS (9 AND 11 MARCH) (PV(2010)1908; PV(2010)1909; PV(2010)1909, PART II) .......... 10

4. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS .......... 10

*4.1. WRITTEN PROCEDURES APPROVED (SEC(2010)269 ET SEQ.) .......... 10*

*4.2. EMPOWERMENT (SEC(2010)270 ET SEQ.) .......... 11*

*4.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2010)271 ET SEQ.) .......... 11*

*4.4. SENSITIVE WRITTEN PROCEDURES (SEC(2010)272 AND /2) .......... 11*

5. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2010)268) .......... 11

*EUROPEAN ANTI-FRAUD OFFICE – INTERNAL AND INTERINSTITUTIONAL PUBLICATION (GRADE AD15/16) AND EXTERNAL PUBLICATION (GRADE AD15 - EU-27) OF VACANCY NOTICES FOR A DIRECTOR-GENERAL POST (PERS(2010)24) .......... 11*

6. RELATIONS WITH NON-MEMBER COUNTRIES .......... 12

*MISSION TO CHILE (SANTIAGO, TALCA, HUALANE, ILOCA, CONCEPCIÓN AND PENCO, 10 AND 11 MARCH) (SEC(2010)333) .......... 12*

7. OTHER BUSINESS .......... 12

*IMPACT OF THE ECONOMIC CRISIS ON KEY SECTORS OF EUROPEAN INDUSTRY – ECONOMIC RECOVERY IN MANUFACTURING, CONSTRUCTION AND SERVICES (MARCH 2010 UPDATE) (SEC(2010)353) .......... 12*

8. INTERINSTITUTIONAL RELATIONS....................13

*8.1. LEGISLATIVE MATTERS* .................... *13*

*8.2. RELATIONS WITH THE COUNCIL* .................... *13*

*8.3. RELATIONS WITH PARLIAMENT* .................... *16*

9. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF GERMANY (2009-2013) (SEC(2010)296 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....................16

10. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF AUSTRIA (2009-2013) (SEC(2010)297 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....................16

11. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF BELGIUM (2009-2012) (SEC(2010)288 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....................16

12. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF SPAIN (2009-2013) (SEC(2010)294 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....................16

13. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF FINLAND (2009-2013) (SEC(2010)298 AND /2; SEC(2010)287;

SEC(2010)282; SEC(2010)300)........................................................................17

14. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF FRANCE (2009-2013) (SEC(2010)286 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)........................................................................17

15. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF IRELAND (2009-2014) (SEC(2010)292 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)........................................................................17

16. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF ITALY (2009-2012) (SEC(2010)293 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)........................................................................17

17. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF THE NETHERLANDS (2009-2012) (SEC(2010)284 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)........................................................................17

18. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF SLOVAKIA (2009-2012) (SEC(2010)299 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)........................................................................17

19. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF BULGARIA (2009-2012) (SEC(2010)291 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....18

20. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF ESTONIA (2009-2013) (SEC(2010)290 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....18

21. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF SWEDEN (2009-2012) (SEC(2010)295 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)....18

22. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF THE UNITED KINGDOM (2009/2010-2014/2015) (SEC(2010)289 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300) ....18

23. COMMISSION RECOMMENDATION FOR A COUNCIL DECISION AUTHORISING THE COMMISSION TO NEGOTIATE THE AGREEMENT ON THE ACCESSION OF THE EUROPEAN UNION TO THE EUROPEAN CONVENTION FOR THE PROTECTION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS (SEC(2010)305 TO /4; SEC(2010)306) ....21

24. COMMISSION DECISION ON A PROCEEDING UNDER ARTICLE 102 OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN

UNION AND ARTICLE 54 OF THE EEA AGREEMENT (CASE COMP/39.386 – EDF – LONG-TERM CONTRACTS FRANCE) (C(2010)1580 TO /6)....................24

25. INTERINSTITUTIONAL RELATIONS (CONTINUED FROM ITEM 8) .............26

*RELATIONS WITH PARLIAMENT*....................26

## <u>Single sitting</u>: Wednesday 17 March 2010 (morning)

The sitting opened at 9.06 with Mr BARROSO, President, in the chair.

<u>Present</u>:

| | | |
|---|---|---|
| Mr BARROSO | President | |
| Ms REDING | Vice-President | |
| Mr ALMUNIA | Vice-President | |
| Mr KALLAS | Vice-President | |
| Ms KROES | Vice-President | |
| Mr TAJANI | Vice-President | |
| Mr ŠEFČOVIČ | Vice-President | |
| Mr POTOČNIK | | |
| Mr REHN | | |
| Mr PIEBALGS | | |
| Mr BARNIER | | Items 1 to 8 |
| Ms VASSILIOU | | |
| Mr ŠEMETA | | |
| Mr DE GUCHT | | |
| Mr DALLI | | |
| Ms GEOGHEGAN-QUINN | | |
| Mr LEWANDOWSKI | | |
| Ms DAMANAKI | | |
| Ms GEORGIEVA | | |
| Mr OETTINGER | | Items 8 (in part) to 25 |
| Mr HAHN | | |
| Mr FÜLE | | |
| Mr CIOLOŞ | | |

Absent:

| | |
|---|---|
| Baroness ASHTON | High Representative/<br>Vice-President |
| Ms HEDEGAARD | |
| Mr ANDOR | |
| Ms MALMSTRÖM | |

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

| | | |
|---|---|---|
| Mr BANNERMAN | A member of Baroness ASHTON's staff | |
| Mr VIS | Chef de cabinet to Ms HEDEGAARD | |
| Ms GAGO | Chef de cabinet to Mr ANDOR | Items 8 (in part) to 25 |
| Ms ÅSENIUS | Chef de cabinet to Ms MALMSTRÖM | |

The following also sat in:

| | | |
|---|---|---|
| Mr LAITENBERGER | Chef de cabinet to the PRESIDENT | |
| Mr ROMERO REQUENA | Director-General, Legal Service | |
| Mr SØRENSEN | Director-General, DG Communication | |
| Mr DOENS | Head of the Commission Spokesperson Service | |
| Ms AHRENKILDE HANSEN | Commission Spokeswoman | |
| Mr SCHINAS | Bureau of European Policy Advisers | Items 23 (in part) to 25 |
| Ms MARTÍNEZ ALBEROLA | Adviser in the PRESIDENT's Office | Item 23 |
| Mr PESONEN | Chef de cabinet to Mr REHN | Items 9/22 (in part) |
| Mr GUERSENT | Chef de cabinet to Mr BARNIER | Items 9 to 25 |

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

## 1. AGENDAS
**(OJ(2010)1910/3; SEC(2010)267/2)**

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(2010)1910)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 15 March.

## 3. APPROVAL OF THE MINUTES OF THE 1908TH AND 1909TH COMMISSION MEETINGS (9 AND 11 MARCH)
**(PV(2010)1908; PV(2010)1909; PV(2010)1909, PART II)**

The Commission held over approval of the minutes of its 1908th and 1909th meetings for the following week.

## 4. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

### *4.1. WRITTEN PROCEDURES APPROVED*
***(SEC(2010)269 ET SEQ.)***

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 8 and 12 March.

### *4.2. EMPOWERMENT (SEC(2010)270 ET SEQ.)*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 8 and 12 March.

### *4.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2010)271 ET SEQ.)*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 8 and 12 March, as archived in e-Greffe.

### *4.4. SENSITIVE WRITTEN PROCEDURES (SEC(2010)272 AND /2)*

The Commission took note of the sensitive written procedures for which the time limit expired between 15 and 19 March and of the 'finalisation' written procedure initiated following the weekly meeting of Chefs de cabinet on 15 March.

## 5. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2010)268)

### ADMINISTRATIVE MATTERS (PERS(2010)23)

### *EUROPEAN ANTI-FRAUD OFFICE – INTERNAL AND INTERINSTITUTIONAL PUBLICATION (GRADE AD15/16) AND EXTERNAL PUBLICATION (GRADE AD15 – EU-27) OF VACANCY NOTICES FOR A DIRECTOR-GENERAL POST (PERS(2010)24)*

Having consulted the European Parliament and the Council, the Commission, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided to authorise the publication, under Articles 29(1)(a)(i) and (iii), 29(1)(b) and 29(2) of the Staff Regulations, of vacancy notices for the post of Director-General of the European Anti-Fraud Office.

This decision would take effect immediately.

## 6. RELATIONS WITH NON-MEMBER COUNTRIES

***MISSION TO CHILE (SANTIAGO, TALCA, HUALANE, ILOCA, CONCEPCIÓN AND PENCO, 10 AND 11 MARCH)***
***(SEC(2010)333)***

The Commission took note of the information note from Ms GEORGIEVA in SEC(2010)333.

## 7. OTHER BUSINESS

***IMPACT OF THE ECONOMIC CRISIS ON KEY SECTORS OF EUROPEAN INDUSTRY – ECONOMIC RECOVERY IN MANUFACTURING, CONSTRUCTION AND SERVICES (MARCH 2010 UPDATE)***
***(SEC(2010)353)***

The Commission took note of the information note from Mr TAJANI in SEC(2010)353.

# 8. INTERINSTITUTIONAL RELATIONS

## *8.1. LEGISLATIVE MATTERS*

### i) Action to be taken on Parliament's legislative opinions

(SP(2010)1135)

The Commission decided to empower the Commission Members responsible for the sectors in question, in agreement with the PRESIDENT and Mr ŠEFČOVIČ 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(2010)1135, drawn up following the March I part-session of Parliament, the contents of which were noted.

## *8.2. RELATIONS WITH THE COUNCIL*

### ii) Results of meetings of the Eurogroup (Brussels, 15 March) and the Council (Economic and Financial Affairs) (Brussels, 16 March)

Mr REHN reported on the main results of the meetings of the Eurogroup and of the Council (Economic and Financial Affairs) on 15 and 16 March, beginning with the discussions on the situation in Greece. Both the Eurogroup and the Council had endorsed the Commission's assessment of the budgetary situation in Greece, i.e. that the country was on the right track to reduce its government deficit by four GDP points in order to reach the target of 8.7% of GDP in 2010.

The Commission would soon be coming back to this subject. In May Greece would have to present a report on the implementation of the structural reforms and adjustment measures. Mr REHN stressed that this dossier would have to be followed up closely and that the situation remained critical.

He also reported on the discussion on mechanisms for possible financial support coordinated within the euro area and at Member State's request – while pointing out that at this stage the Greek Government had not issued any such request. He reviewed the possible options, in particular a system of support at euro-zone level or bilateral loans to Greece from other Member States. Although the Commission had signalled its backing for the possible implementation of a euro-zone scheme, it might also support the granting of bilateral loans, provided that action was coordinated at European level. He also confirmed that the Commission wanted to help establish a framework to coordinate any support measures.

Mr REHN had announced to the Council that the Commission would shortly be presenting an initiative of additional measures to contribute to the smooth operation of economic and monetary union within the meaning of Article 136 of the Treaty on the Functioning of the European Union. The main objective would be to develop closer coordination between the economic and monetary policies of the Member States.

He ended by reporting on the discussions in the Eurogroup on differences in competitiveness between euro-zone member countries and the measures to be taken to address macroeconomic imbalances. It was important for less competitive Member States to implement appropriate corrective measures and for Member States that had a trade surplus to take measures to boost internal demand.

Mr BARNIER followed up this presentation with a report on the discussions in the Economic and Financial Affairs Council on hedge funds and private equity funds. He stressed the importance of completing work on the Commission’s legislative initiative to develop the regulatory framework for a group of financial products that accounted for half of the high-risk financial products.

He regretted that the Council had still not concluded its discussions on the initiative, but noted with satisfaction that the Council Presidency-in-Office was keen to reach agreement on the regulation of alternative investment funds before its term of office ended.

He also referred to the additional initiatives proposed by the Commission on this matter, in particular on supervision of the financial sector and on company accounting standards. He insisted on the importance of reaching satisfactory compromises in the Council on these initiatives, which were urgently needed given the risk of a new crisis.

The Commission held a brief discussion during which it highlighted the importance of substantial progress being made in the Council on the legislative initiatives presented by the Commission.

The PRESIDENT wound up the discussion, thanking Mr REHN and Mr BARNIER for their presentations. He referred again to the Council's conclusions on the situation in Greece, noting that the Commission was keeping a close eye on this matter.

He pointed out that the Commission had reacted promptly to the economic crisis – its first initiatives on financial regulation had been presented in 2009 – and invited the Council and the Council Presidency to do what was necessary to put the proposals into effect.

He reminded the meeting that these issues were a priority for the European Parliament, public opinion and the financial markets. He felt they merited further discussion at the European Council on 25 and 26 March and he had stressed their importance in his latest contacts with the President of the European Council, Mr Herman Van Rompuy. Lastly, he announced that the Commission would again discuss preparations for the European Council at its next meeting on 24 March.

The Commission took note of this information.

**iii) Programming of Council business**
(SI(2010)71)

The Commission took note of the information in SI(2010)71 on the Council meetings between 18 and 31 March.

### *8.3. RELATIONS WITH PARLIAMENT*

**iv) Results of Parliament's March I part-session**
(SP(2010)1155 to /3)

The Commission took note of the information in SP(2010)1155 to /3 on the proceedings of the part-session of Parliament held in Strasbourg from 8 to 11 March.

## 9. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF GERMANY (2009-2013)

**(SEC(2010)296 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

## 10. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF AUSTRIA (2009-2013)

**(SEC(2010)297 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

## 11. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF BELGIUM (2009-2012)

**(SEC(2010)288 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

## 12. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF SPAIN (2009-2013)

**(SEC(2010)294 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**13. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF FINLAND (2009-2013) (SEC(2010)298 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**14. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF FRANCE (2009-2013) (SEC(2010)286 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**15. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF IRELAND (2009-2014) (SEC(2010)292 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**16. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF ITALY (2009-2012) (SEC(2010)293 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**17. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF THE NETHERLANDS (2009-2012)**
**(SEC(2010)284 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**18. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 5(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED STABILITY PROGRAMME OF SLOVAKIA (2009-2012)**
**(SEC(2010)299 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**19. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF BULGARIA (2009-2012)**
**(SEC(2010)291 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**20. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF ESTONIA (2009-2013)**
**(SEC(2010)290 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**21. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF SWEDEN (2009-2012)**
**(SEC(2010)295 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

**22. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION PURSUANT TO ARTICLE 9(3) OF COUNCIL REGULATION (EC) 1466/97 ON THE UPDATED CONVERGENCE PROGRAMME OF THE UNITED KINGDOM (2009/2010-2014/2015)**
**(SEC(2010)289 AND /2; SEC(2010)287; SEC(2010)282; SEC(2010)300)**

Mr REHN introduced all the recommendations listed under items 9 to 22 of these minutes. The recommendations contained the Commission's assessment of the updated stability and convergence programmes of 14 Member States and their medium-term budget outlook. He drew attention to the special conditions governing this exercise, which took account of the conclusions on the "exit strategy" reached by the Economic and Financial Affairs Council of 20 October 2009, and of the European economic recovery plan approved by the European Council of 11 December 2009.

A second set of recommendations concerning the programmes of ten other Member States would be referred to the Commission at its 1911th meeting on 24 March, and two further recommendations would be presented in due course concerning the Member States which had not yet submitted their updated stability programmes to the Commission. A recommendation for a Council opinion on the updated stability programme of Greece for 2010-2013 had in fact already been submitted to the Commission at its 1904th meeting on 3 February.

Mr REHN thanked the Commission members for their constructive and collegiate cooperation during the preparation of this set of recommendations, upstream of the informal meeting of Ministers of Economic Affairs and Finance on 16, 17 and 18 April, and of the preparations in the Member States of the national budgets for the following year.

Coming back to the substance of the assessments by the Commission, Mr REHN said that the exit strategies presented by the Member States were generally coherent with the Council's decisions and that the general principles had been followed. However, in his view, while almost all the Member States had demonstrated willingness in terms of complying with the deadlines for cutting budget deficits, specific measures had not yet been adopted completely. He was also concerned about the macroeconomic forecasts, which were more optimistic than those of the Commission and had been used by the Member States as a basis for their programming and for the fiscal consolidation timetables. While the proposed strategies were compatible with the principles approved by the Council, the envisaged macroeconomic scenarios and the fact that certain measures had not yet been clearly specified posed a risk. The Commission therefore recommended pursuing ambitious objectives and adopting all the specific fiscal consolidation measures.

The Commission then held a brief exchange of views during which it underlined the importance of taking every possible step to put an end to the economic crisis and ensure the success of the "Europe 2020" strategy, and the availability of sufficient credit, which would mean having adequate economic growth projections, reliable financial rules, efficient and viable financial institutions, and continued efforts to redress public finance and coordinate economic policies. It was also important to support the Member States' Finance Ministers in their efforts to implement fiscal consolidation plans.

Mr REHN acknowledged that the incentives agreed in the European economic recovery plan were necessary to avoid a prolonged and deeper economic recession. The crisis had however wiped out twenty years of efforts to consolidate public finance and had increased average government debt by 20% in just two years. This excessive government debt, similar to that of the United States, would henceforth be the main feature of the new economic landscape. Fiscal consolidation must therefore be a key element in the "Europe 2020" strategy, while government debt would become one of the EU's main challenges in the coming decade. This matter would have to be discussed again when the assessments of the excessive deficit procedures in the Member States concerned were presented in May and June.

Lastly, he made the link between these matters and the objectives of regulating the financial sector, strengthening and coordinating economic policies, and redressing macroeconomic imbalances and differences in competitiveness, which had been discussed at the Eurogroup meeting (see item 8.2(ii) of these minutes).

The PRESIDENT also emphasised that these different aspects complemented each other; this had been taken into account fully in the "Europe 2020" strategy, with the establishment of parallels between the Growth and Stability Pact and the Strategy for Growth and Employment, not to mention the objectives of regulating the financial markets and reducing macroeconomic imbalances. He underlined the proposals presented by the Commission in these domains, the guidelines it was endeavouring to provide to steer the European economic debate, and the tangible progress proposed in the Europe 2020 strategy in relation to fiscal consolidation, structural reforms and financial regulation.

The Commission was acting as a driving force in combating the economic and financial crisis. It was regrettable, however, that despite the political support it was receiving from the Council and the European Council, no concrete decisions had been taken. The PRESIDENT was convinced that the Commission should, despite the difficult context, continue its efforts to give meaning and credibility to the economic debate in Europe in order to help restore financial stability and boost the coordination of economic policies.

The Commission adopted the recommendations for Council opinions on the updated stability programmes of Germany (2009-2013), Austria (2009-2013), Belgium (2009-2012), Spain (2009-2013), Finland (2009-2013), France (2009-2013), Ireland (2009-2014), Italy (2009-2012), the Netherlands (2009-2012) and Slovakia (2009-2012), as set out respectively in documents SEC(2010)296/2, SEC(2010)297/2, SEC(2010)288/2, SEC(2010)294/2, SEC(2010)298/2, SEC(2010)286/2, SEC(2010)292/2, SEC(2010)293/2, SEC(2010)284/2 and SEC(2010)299/2, for transmission to the Council.

The Commission also adopted the recommendations for Council opinions on the updated convergence programmes of Bulgaria (2009-2012), Estonia (2009-2013), Sweden (2009-2012) and the United Kingdom (2009/2010-2014/2015), as set out respectively in documents SEC(2010)291/2, SEC(2010)290/2, SEC(2010)295/2 and SEC(2010)289/2, for transmission to the Council.

## 23. COMMISSION RECOMMENDATION FOR A COUNCIL DECISION AUTHORISING THE COMMISSION TO NEGOTIATE THE AGREEMENT ON THE ACCESSION OF THE EUROPEAN UNION TO THE EUROPEAN CONVENTION FOR THE PROTECTION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS (SEC(2010)305 TO /4; SEC(2010)306)

The PRESIDENT presented the recommendation he was tabling, aimed at obtaining a mandate from the Council to negotiate the accession of the European Union to the European Convention for the Protection of Human Rights and Fundamental Freedoms. He pointed out that under Article 6(2) of the Treaty on European Union, accession to this Convention was now a legal obligation.

He underlined the importance of accession to the Convention as part of the implementation of the Treaty of Lisbon. It would reinforce the European Union's credibility, both internally and externally, with regard to fundamental rights, further develop its legal system and enhance the protection of these rights. It would enable any citizen who considered that the Convention had been violated by one of the EU institutions or bodies to refer their complaint to the European Court of Human Rights in Strasbourg.

The negotiations would be conducted by the Commission and must observe certain principles to ensure that the specific features of European law were maintained, namely: the European Union's powers as laid down in the Treaties would not be affected; the EU would participate in the bodies which monitor the Convention; mechanisms would be established to ensure that appeals and procedures were addressed to the European Union or its Member States, as the case may be; the Member States' situation and obligations with regard to the Convention would not be affected; and, lastly, the exclusive role of the European Court of Justice in interpreting and applying European law would be maintained.

The PRESIDENT noted the agreement reached on the proposed text and thanked Baroness ASHTON, Ms REDING and Mr ŠEFČOVIČ for contributing so efficiently to finalising the proposal. He reminded the meeting that the negotiation process would be carried out under his authority and that he would also participate in agreement with the three vice-presidents mentioned, by virtue of their powers in areas that merited special attention – relations with the Council of Europe, respect for fundamental rights and interinstitutional relations.

For practical reasons (to facilitate organisation of the work) and given that fundamental rights were an essential element of this dossier, he asked Ms REDING to lead the negotiations and discussions concerning this proposal.

Ms REDING stressed the importance of the decision taken that day by the Commission and pointed out that the European Convention for the Protection of Human Rights and Fundamental Freedoms was an international treaty, respect for which was ensured by the European Court of Human Rights, an international court with its headquarters in Strasbourg. She noted that 47 countries had now signed up to the Convention, among them the 27 EU Member States, Russia and Turkey.

She went on to describe the process by which the European Union could become a party to the Convention. Based on the Commission's present recommendation for a Council decision authorising the Commission to negotiate the accession agreement, there would be several stages in this process. These were: a unanimous agreement by the Council to start negotiations with the Council of Europe; a unanimous agreement by the Council on the result of the negotiations; approval by the European Parliament of the accession agreement; and, lastly, ratification of this agreement by all the EU Member States and by the other countries which were parties to the Convention.

With regard to the substance of the Convention, accession would enable the European Union to further enhance the protection of human rights and fundamental freedoms in the EU already developed by the case law of the Court of Justice and recently reinforced by the Charter of Fundamental Rights, which was made legally binding by the entry into force of the Treaty of Lisbon. The European Convention on Human Rights would therefore be an additional tool to ensure effective and unified protection of the rights of EU citizens and would also give the European Union the right to have a judge at the European Court of Human Rights.

She reminded the meeting that in 1996 an attempt to accede to the Convention had been unsuccessful because of a European Court of Justice opinion based on the then lack of a legal basis for accession.

In conclusion, Ms REDING stressed the importance in future negotiations of ensuring a balance between the two European courts in question and undertook to supply the Commissioners with regular updates on this matter.

Mr ŠEFČOVIČ spoke of the politically highly sensitive nature of this dossier and the legal obligation laid down in the Treaty of Lisbon, emphasising that particular attention must be paid to interinstitutional aspects. He said that the Commission's recommendation was a balanced one which avoided any distortion between the two legal systems concerned while keeping a sufficient degree of flexibility for the follow-up to the negotiation process.

Mr ŠEFČOVIČ noted the positions adopted at this stage by the European Parliament and the Council and pledged his full support to Ms REDING for the forthcoming negotiations.

Following this discussion, the Commission adopted the recommendation in SEC(2010)305/4, for transmission to the Council.

## 24. COMMISSION DECISION ON A PROCEEDING UNDER ARTICLE 102 OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION AND ARTICLE 54 OF THE EEA AGREEMENT (CASE COMP/39.386 – EDF – LONG-TERM CONTRACTS FRANCE) (C(2010)1580 TO /6)

Mr ALMUNIA briefly introduced the decision he was presenting to the Commission for adoption, which aimed to resolve a competition issue in the electricity markets in France and would significantly alter the structure of these markets.

He explained that the EDF group had until now dominated the electricity supply market for large industrial customers by concluding exclusive long-term contracts at very low rates, which included restrictions on reselling.

These practices constituted an obstacle to other competitors entering the market and to the development of a liquid and effective secondary market.

Mr ALMUNIA reminded the meeting that the proceeding had been launched in 2007 and the EDF group had finally proposed a series of commitments whereby 65% of the electricity purchased by the big industrial customers would be put back on the market each year for a period of ten years, the restrictions on resale would be abolished in new contracts and the length of these new contracts would be limited to five years.

He concluded by saying that this decision would bring about a structural change in the operation of the electricity markets in France and marked a step forward on the road to their liberalisation. This decision could potentially have consequences in other parts of the European Union where exclusive long-term contracts restricted competition in a similar fashion.

Following this presentation, the Commission:

- took note of the opinion of the Advisory Committee on Restrictive Practices and Dominant Positions of 1 March in C(2010)1580/3;

- took note of the final report of the Hearing Officer of 3 March in C(2010)1580/4;

- adopted in the authentic language (French) the decision in C(2010)1580/6, making the commitments offered by the company concerned binding;

- decided to authorise Mr ALMUNIA, Member of the Commission responsible for competition, acting in agreement with the PRESIDENT, to adopt the decisions necessary to implement the commitments forming part of this decision, in order to ensure that the company concerned complied with them;

- decided that the decision in C(2010)1580/6 would be notified to the company concerned, together with the final report of the Hearing Officer;

- decided that the key parts of the decision, together with the Advisory Committee's opinion and the Hearing Officer's final report, would be published in the official languages of the Union in the Official Journal of the European Union (with business secrets and other confidential information removed);

- decided to make the decision (minus any business secrets and other confidential information) also accessible on the Internet.

## 25. INTERINSTITUTIONAL RELATIONS (CONTINUED FROM ITEM 8)

***RELATIONS WITH PARLIAMENT***

**Meeting between the Commission and Mr Jerzy Buzek, President of the European Parliament (Brussels, 17 March)**

The PRESIDENT referred briefly to the working lunch to be held that day with Mr Buzek, stressing the importance of the meeting, which was in response to insistent calls from the European Parliament for more regular contacts between its President and the Commission. The Commission had undertaken to involve Parliament more closely in its work, while at the same time making clear its desire to maintain a clear distinction between their respective institutional responsibilities. He noted that this type of meeting was unprecedented and stressed the particular sensitivity of the institutional question that lay behind it.

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 10.21.