



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2011)1949 final

Brussels, 2 March 2011

MINUTES
of the 1949th meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 23 February 2011
(morning)

PV(2011)1949 final

TABLE OF CONTENTS

Attendance list	4-6
1. AGENDAS (OJ(2011)1949/3; SEC(2011)198/2).....	7
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2011)1949)	7
3. MINUTES OF THE 1948TH MEETING (15 FEBRUARY) (PV(2011)1948).....	7
4. INTERINSTITUTIONAL RELATIONS.....	7
4.1. LEGISLATIVE MATTERS	7
4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL	8
4.3. RELATIONS WITH PARLIAMENT	8
5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW	8
STATE AID – INDIVIDUAL CASES (SEC(2011)224/2).....	8
6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	9
6.1. WRITTEN PROCEDURES APPROVED (SEC(2011)199 ET SEQ.).....	9
6.2. EMPOWERMENT (SEC(2011)200 ET SEQ.)	9
6.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2011)201 ET SEQ.).....	9
6.4. SENSITIVE WRITTEN PROCEDURES (SEC(2011)202)	9
7. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2011)203)	10
7.1. DG REGIONAL POLICY – APPOINTMENT OF AD15/16 DEPUTY DIRECTOR- GENERAL (PERS(2010)97 TO /8)	10
7.2. DG ENVIRONMENT – APPOINTMENT OF AD14/15 DIRECTOR (PERS(2010)119 TO /4).....	10

7.3. <i>DG ECONOMIC AND FINANCIAL AFFAIRS – APPOINTMENT OF AD 15 DIRECTOR.....</i>	<i>11</i>
7.4. <i>DG HUMAN RESOURCES AND SECURITY – RATE APPLICABLE TO THE CALCULATION OF INTEREST ON LATE PAYMENT TO BE PAID TO COMMISSION STAFF FOLLOWING THE JUDGMENT OF THE COURT OF JUSTICE IN CASE C-40/10.....</i>	<i>11</i>
8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – REVIEW OF THE 'SMALL BUSINESS ACT' FOR EUROPE (COM(2011)78 TO /5; SEC(2011) 214).....	12
9. ANNUAL ACTIVITY REPORTS AND BUDGET IMPLEMENTATION (SEC(2011)244; SEC(2011)219 TO /3; SEC(2011)225).....	12
10. RELATIONS WITH NON-MEMBER COUNTRIES.....	14
<i>SITUATION IN CERTAIN NORTH AFRICAN AND MIDDLE EASTERN COUNTRIES.....</i>	<i>14</i>
11. POLICY DEBATE ON THE EUROPEAN NEIGHBOURHOOD POLICY (SEC(2011)239).....	16
12. RELATIONS WITH NON-MEMBER COUNTRIES (CONTINUED FROM ITEM 10).....	19
<i>FREE-TRADE AGREEMENT BETWEEN THE EUROPEAN UNION AND SOUTH KOREA.....</i>	<i>19</i>

Single sitting: Wednesday 23 February 2011 (morning)

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

Present:

Mr BARROSO	President	
Baroness ASHTON	High Representative/ Vice-President	
Ms REDING	Vice-President	Items 1 to 11 (in part)
Mr ALMUNIA	Vice-President	
Mr KALLAS	Vice-President	
Ms KROES	Vice-President	Items 1 to 10 (in part)
Mr TAJANI	Vice-President	Items 1 to 10
Mr PIEBALGS	Member	
Mr BARNIER	Member	
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	Items 9 (in part) to 12
Mr DALLI	Member	
Ms GEOGHEGAN-QUINN	Member	
Mr LEWANDOWSKI	Member	Items 1 to 11 (in part)
Ms DAMANAKI	Member	Items 1 to 11 (in part)
Ms GEORGIEVA	Member	
Mr OETTINGER	Member	
Mr HAHN	Member	
Mr FÜLE	Member	
Mr ANDOR	Member	Items 9 (in part) to 12
Mr CIOLOŞ	Member	

Absent:

Mr ŠEFČOVIČ	Vice-President
Mr POTOČNIK	Member
Mr REHN	Member
Ms VASSILIOU	Member
Ms HEDEGAARD	Member
Ms MALMSTRÖM	Member

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

Mr NOCIAR	Chef de cabinet to Mr ŠEFČOVIČ	
Mr VANDENBERGHE	Chef de cabinet to Mr POTOČNIK	
Ms HYVÄRINEN	A member of Mr REHN's staff	
Mr BRUNET	Chef de cabinet to Ms VASSILIOU	Items 1 to 11 (in part)
Ms CHRISTOPHIDOU	Deputy Chef de cabinet to Ms VASSILIOU	Items 11 (in part) and 12
Ms BERGENFELT	Adviser in Ms HEDEGAARD's office	
Ms ÅSENIUS	Chef de cabinet to Ms MALMSTRÖM	

The following also sat in:

Mr FRUTUOSO DE MELO	Deputy Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr SØRENSEN	Director-General, DG Communication	Items 9 to 12
Mr DOENS	Head of the Commission Spokesperson Service	
Mr BAILLY	Commission Spokesperson Service	Items 1 to 11 (in part)
Mr THEBAULT	Head of the Bureau of European Policy Advisers	
Mr VIZEU PINHEIRO	Adviser in the PRESIDENT's office	Item 10 (in part)
Mr SOBRAL	A member of the PRESIDENT's staff	
Mr MORRISON	Chef de cabinet to Baroness ASHTON	
Mr HALLEGARD	A member of Baroness ASHTON's staff	Items 10 (in part) to 12
Ms HOFFMANN	Deputy Chef de cabinet to Ms REDING	Items 11 (in part) and 12
Mr VANHEUKELEN	Chef de cabinet to Mr DE GUCHT	Items 1 to 9 (in part)
Mr MORDUE	Chef de cabinet to Mr FÜLE	
Mr CANCIANI	European External Action Service	

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

1. AGENDAS

(OJ(2011)1949/3; SEC(2011)198/2)

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(2011)1949)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 21 February.

3. MINUTES OF THE 1948TH MEETING (15 FEBRUARY)

(PV(2011)1948)

The Commission held over approval of the minutes of its 1948th meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS

4.1. LEGISLATIVE MATTERS

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

(SP(2011)1270)

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(2011)1270, drawn up following the February II part-session of Parliament, the contents of which were noted.

4.2. *RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL*

ii) *Programming of Council business*

(SI(2011)42)

The Commission took note of the information in SI(2011)42 on the Council meetings between 24 February and 9 March 2011.

4.3. *RELATIONS WITH PARLIAMENT*

iii) *Results of February II part-session*

(SP(2011)1214 to /3)

The Commission took note of the information in SP(2011)1214 to /3 on the proceedings of the part-session of Parliament held in Strasbourg from 14 to 17 February.

5. *MONITORING THE APPLICATION OF EUROPEAN UNION LAW*

STATE AID – INDIVIDUAL CASES

(SEC(2011)224/2)

The Commission adopted the decisions in SEC(2011)224/2.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. *WRITTEN PROCEDURES APPROVED*

(SEC(2011)199 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 18 February.

6.2. *EMPOWERMENT*

(SEC(2011)200 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 18 February.

6.3. *DELEGATION AND SUBDELEGATION OF POWERS*

(SEC(2011)201 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 14 and 18 February, as archived in e-Greffe.

6.4. *SENSITIVE WRITTEN PROCEDURES*

(SEC(2011)202)

The Commission took note of the sensitive written procedures for which the time limit expired between 21 and 25 February.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2011)203)

ADMINISTRATIVE MATTERS
(PERS(2011)26)

**7.1. DG REGIONAL POLICY – APPOINTMENT OF AD15/16 DEPUTY
DIRECTOR-GENERAL**
(PERS(2010)97 TO /8)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Deputy Director-General responsible for Development, Coordination and Communication of Cohesion Policy in DG Regional Policy (PERS(2010)97 to 5 and /7).

It took note of the opinions of the Consultative Committee on Appointments of 13 December 2010 and 13 January 2011 (PERS(2010)97/6 and /8).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr HAHN, it then decided to appoint Mr Nicholas MARTYN to the post.

This decision would take effect on 1 March 2011.

7.2. DG ENVIRONMENT – APPOINTMENT OF AD14/15 DIRECTOR
(PERS(2010)119 TO /4)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director, 'Strategy', in DG Environment (PERS(2010)119 and /3).

It took note of the opinions of the Consultative Committee on Appointments of 7 January and 3 February 2011 (PERS(2010)119/2 and /4).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On

a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr POTOČNIK, it then decided to appoint Mr Robin MIEGE to the post.

This decision would take effect on 1 March 2011.

7.3. *DG ECONOMIC AND FINANCIAL AFFAIRS – APPOINTMENT OF AD 15 DIRECTOR*

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr REHN, the Commission decided to fill the post of Director, 'Structural Reforms and Competitiveness', in DG Economic and Financial Affairs by transferring in the interest of the service, under Article 7 of the Staff Regulations, Ms Anne BUCHER, AD15 official and currently Director, 'Resources', in DG Information Society and Media.

This decision would take effect on 16 March 2011.

7.4. *DG HUMAN RESOURCES AND SECURITY – RATE APPLICABLE TO THE CALCULATION OF INTEREST ON LATE PAYMENT TO BE PAID TO COMMISSION STAFF FOLLOWING THE JUDGMENT OF THE COURT OF JUSTICE IN CASE C-40/10*

The Commission noted the information in point 4 of PERS(2011)26 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided to apply a rate of 3% when calculating the interest on late payment to be paid to Commission staff following the judgment of the Court of Justice in Case C-40/10.

This decision would take effect immediately.

8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – REVIEW OF THE 'SMALL BUSINESS ACT' FOR EUROPE (COM(2011)78 TO /5; SEC(2011) 214)

The Commission approved the communication in COM(2011)78/5 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, and, for information, to the national parliaments.

9. ANNUAL ACTIVITY REPORTS AND BUDGET IMPLEMENTATION (SEC(2011)244; SEC(2011)219 TO /3; SEC(2011)225)

The PRESIDENT reminded Members of the need for rigorous financial management of public resources and the importance which Parliament attached to this aspect. In his view, the Commission, which was accountable to Parliament, had fully demonstrated its ability to implement sound, coherent and effective management and audit systems. He urged Commission Members, and particularly those whose portfolios involved large volumes of expenditure, to continue to focus on these issues as a matter of priority. He emphasised the importance of the discharge procedure in interinstitutional relations and its role in relation to the credibility of the Commission's management and hence the need for dialogue between Commissioners and Directors-General before the latter drew up and signed the annual activity reports.

In connection with the discharge procedure and on the subject of the annual activity reports, Mr ŠEMETA mentioned the recent discussion with Parliament about the respective roles of the Members of the Commission and the Directors-General as regards financial management. He confirmed the importance of the clear distinction which had been drawn between political responsibility and responsibility for management at departmental level, noting that Directors-General were required to keep their Commissioners informed and to engage in a dialogue about the main

aspects of the annual activity reports and any reservations included in them. The report should contain a reference to the dialogue that had taken place. He confirmed that the information requirement did not affect the division of responsibilities, and the annual activity report remained a management report for which the Director-General alone was responsible and which he or she alone signed. This dialogue between the Members of the Commission and the Directors-General was therefore a necessary part of the process and had to be held before the end of March. The summary report adopted in June, on the other hand, was part of the Commission's overall political responsibility for financial management.

The Commission then held a brief exchange of views during which it noted the importance of good cooperation on these issues with the European Parliament, including the exchange of information, and confirmed the need for the dialogue between the Commission Member and the Director-General and the relevance of the division of responsibilities between these two different levels.

The PRESIDENT wound up the debate by stressing the importance of this issue, particularly in the context of this year's preparation of the proposals for the next multiannual financial framework. He thanked Mr ŠEMETA for his efforts to continue to improve financial management in the hope that this would be reflected in the discharge procedure.

The Commission took note of the reminder about the respective responsibilities of the Director-General and his or her Commissioner and the dialogue procedure which had to be followed for drawing up the annual activity report, as set out in the information note from the PRESIDENT and Mr ŠEMETA in SEC(2011)244.

It also took note of the information note from Mr LEWANDOWSKI on the state of budget implementation as at 31 December 2010 in SEC(2011)219/3.

10. RELATIONS WITH NON-MEMBER COUNTRIES

SITUATION IN CERTAIN NORTH AFRICAN AND MIDDLE EASTERN COUNTRIES

The PRESIDENT referred to the volatile situation caused by events in North Africa and the Middle East. He expressed his deep concern, in particular at the situation in Libya. The High Representative of the European Union for Foreign Affairs and Security Policy had reacted by strongly condemning the use of force and the repression of demonstrations in the country, and the Foreign Affairs Council had voiced similar sentiments at its meeting on 21 February. He stressed that this situation had serious consequences not just for the Libyan population but also for the European nationals in the country. He also mentioned the potential impact on migration flows and energy supplies.

He invited Baroness ASHTON and Mr FÜLE to present the situation in the region and inform the meeting of the actions that could be taken by the Union, and also asked Ms GEORGIEVA to give a rundown on the situation as regards humanitarian actions. He referred also to the email sent by Ms MALMSTRÖM to the Commission Members on the influx of nationals from these countries into the European Union and Ms VASSILIOU's letter on education. Another matter that should be discussed was the assistance that could be given to Tunisia and Egypt in their transition process and, more generally, the response to the immediate needs in the region, prior to a more general debate on the review of the European neighbourhood policy.

He recalled the decision of the European Council of 4 February requesting the High Representative of the European Union for Foreign Affairs and Security Policy and the Commission to rapidly adapt the instruments available to the Union for providing humanitarian aid and to propose measures and projects to encourage cooperation, exchanges and investments in the region in order to promote economic and social development. He invited Baroness ASHTON and Mr FÜLE to present the draft Commission contribution to this transition process on 16 March ahead of the European Council of 24 March.

He concluded his introduction by emphasising the values of freedom, democracy and human rights that the Union must defend and speak up for clearly and decisively in the current context.

Baroness ASHTON underlined the significant role that the Union, and the Commission in particular, must play in the face of this situation, particularly in view of the high expectations of the populations in these countries.

Mr FÜLE spoke of the instruments at the Union's disposal for meeting these countries' immediate needs, particularly in Tunisia for preparing free elections and in the field of social cohesion in Egypt. The Union must also consider the broad guidelines of the European neighbourhood policy in order to redefine the priorities of this policy and make the assistance it provided more effective.

He noted the Union's key role as coordinator, a role that was now recognised and had been put into practice at today's meeting in Brussels with international financial institutions. He stressed the importance of a consistent policy, particularly in terms of its geographical elements in the South and East, and the role to be played by the Commission and Union. A document would be distributed shortly ahead of the Commission meeting on 16 March.

Ms GEORGIEVA stressed that economic development would drive the current and future transition process, given the demographical trends and high unemployment in the region, particularly among the young. She welcomed the meeting with the international financial institutions organised that day and stressed the importance of action on an international scale and of a strong Union presence in this process.

Regarding the possibility of a large-scale humanitarian crisis, she referred to the risks associated with instability, the rising food prices affecting the poorest population groups and the population and migration movements that might affect certain Member States. Humanitarian actions were already under way, particularly in Yemen, and she noted the scant presence of non-governmental organisations in Libya, apart from the Red Cross and the Red Crescent which were now the sole means of channelling aid to the regions concerned. In conclusion, she stressed that

an emergency plan should be drawn up taking account of the food dimension as well as of economic development.

The Commission then held an in-depth debate.

The PRESIDENT agreed with what the Commission expressed as regards the historic nature of this period and the role to be played in this context by the Union, and the Commission. He stressed that the Union must convey a clear and firm message in favour of democracy, human rights and fundamental freedoms.

He stated that the Union must respond and support these transition processes, in the hope that they would take the democratic route, stressing that expectations were very high in these countries. He advocated collaboration with the Member States and that all the Union's policy instruments be used, including soft power, trade and financial support measures.

He thanked Baroness ASHTON for the efforts already made and assured her of the Commission's full support in addressing the European Council's request, on the basis of the contribution which she and Mr FÜLE would submit to the College on 16 March, a contribution which would be prepared with the support of the Secretariat-General and all the services concerned.

The Commission took note of this information.

11. POLICY DEBATE ON THE EUROPEAN NEIGHBOURHOOD POLICY (SEC(2011)239)

The PRESIDENT started the policy debate devoted to a review of the neighbourhood policy by emphasising the timeliness of this discussion, given the major events unfolding on the southern shore of the Mediterranean, while pointing out that this policy was also aimed at countries to the east, whose development was just as important to the European Union.

The EU must make full use of the instruments and resources available to it in order

to exert influence on its neighbours' development.

The document drafted by Baroness ASHTON and Mr FÜLE would be used as a framework for the debate, as would the statistics and other information handed out during the meeting by Mr FÜLE, which took stock of the relations between the EU and its partners under the neighbourhood policy.

Baroness ASHTON stressed the strategic vision and political ambition which were key to the review of the European neighbourhood policy

Mr FÜLE then expanded on the aspects which the framework document proposed as the basis for the review of the neighbourhood policy. Differentiation must be reinforced through firmer political steering by the Commission of relations with the neighbourhood policy countries and through the conditionality of aid based on the actual achievement of economic and political reforms measured against specific criteria.

The debate focused not only on the approach set out by Mr FÜLE and Baroness ASHTON, but also on the wish to see the EU and its Member States acting effectively, coherently and in a concerted manner, and the importance of fostering rapprochement of the neighbouring countries on the basis of specific measures, while at the same time promoting good governance and ensuring the protection of the EU's financial interests. It was also pointed out that the neighbourhood policy was not a preliminary step to accession to the EU and that, in reviewing the policy, it was important to have an overview of, for example, what the European Investment Bank or the European regions were doing.

Speakers pointed to the essentially rural nature of most of the countries concerned and the need to develop their agricultural economies to ensure stability and sustainable growth, to the importance of promoting trade, and to the EU's interest in fostering the stability of the countries close to it by helping them to build real institutional capacity, by marshalling all the available resources and, where appropriate, applying certain methods borrowed from a cohesion policy context.

Baroness ASHTON replied to some of the comments by stressing that the European Union was being offered a historic opportunity to promote its values and offer neighbouring countries a solid partnership – but without making concessions – to support them in a new chapter in their development.

M. FÜLE recalled the philosophy of the neighbourhood policy, which was to bring the countries concerned closer to the European Union, to examine ways of supporting them in their efforts to introduce political reforms, and hence to meet their legitimate aspirations.

The PRESIDENT thanked the speakers for their contributions to the discussion and, pointing out that the European neighbourhood policy had so far failed to live up to its promises, said that he felt the time had come to consider making changes to it, which would require initiative and creativity, and that this would be a priority for the Commission.

He added that it was important to reinforce the central role of democracy and fundamental rights in the EU's relations with the neighbourhood policy countries, as economic growth was not in itself sufficient to usher in the desired political reforms. He also underlined the importance of conditionality in the Union's relations with these countries and the support it could give them.

The PRESIDENT ended by saying that, on the basis of the conclusions of that day's discussion, Mr FÜLE and Baroness ASHTON would continue work on preparing the communication on the review of the neighbourhood policy referred to in the Commission's work programme and planned for April. He felt that this work was rightly considered to be an essential element in Europe's response to recent political events in its immediate vicinity and that, through it, the Commission must meet the high expectations which had arisen as a result.

The Commission took note of the results and conclusions of the policy debate and of the note from Mr FÜLE and Baroness ASHTON in SEC(2011)239.

**12. RELATIONS WITH NON-MEMBER COUNTRIES (CONTINUED FROM
ITEM 10)**

***FREE-TRADE AGREEMENT BETWEEN THE EUROPEAN UNION AND
SOUTH KOREA***

Mr DE GUCHT briefly mentioned Parliament's recent approval by a large majority of the proposal for a Council Decision concluding the Free Trade Agreement between the European Union and its Member States and the Republic of Korea. He noted that this agreement now included a bilateral safeguard clause guaranteeing the protection of European industry.

The Commission took note of this information.

*

* *

The meeting closed at 12.25 hours.