



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

**PV(2012)1994 final**

Brussels, 21 March 2012

**MINUTES**

**of the 1994th meeting of the Commission  
held in Strasbourg  
(Winston Churchill building)  
on Tuesday 13 March 2012  
(afternoon)**

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**Single sitting: Tuesday 13 March 2012 (afternoon)**

The sitting opened at 13.08 with Mr BARROSO, President, in the chair.

Present:

|                    |                |                  |
|--------------------|----------------|------------------|
| Mr BARROSO         | President      |                  |
| Ms REDING          | Vice-President | Item 7 (in part) |
| Mr ALMUNIA         | Vice-President | Item 7 (in part) |
| Mr KALLAS          | Vice-President |                  |
| Mr TAJANI          | Vice-President | Item 7 (in part) |
| Mr ŠEFČOVIČ        | Vice-President | Item 7 (in part) |
| Mr PIEBALGS        | Member         |                  |
| Mr BARNIER         | Member         | Item 7 (in part) |
| Ms VASSILIOU       | Member         |                  |
| Mr DALLI           | Member         |                  |
| Ms GEOGHEGAN-QUINN | Member         |                  |
| Mr LEWANDOWSKI     | Member         |                  |
| Ms DAMANAKI        | Member         |                  |
| Ms GEORGIEVA       | Member         |                  |
| Mr HAHN            | Member         |                  |
| Ms HEDEGAARD       | Member         |                  |
| Mr FÜLE            | Member         |                  |
| Mr ANDOR           | Member         |                  |
| Ms MALMSTRÖM       | Member         |                  |
| Mr CIOLOŞ          | Member         |                  |

Absent:

|                 |                                        |
|-----------------|----------------------------------------|
| Baroness ASHTON | High Representative/<br>Vice-President |
| Ms KROES        | Vice-President                         |
| Mr REHN         | Vice-President                         |
| Mr POTOČNIK     | Member                                 |
| Mr ŠEMETA       | Member                                 |
| Mr DE GUCHT     | Member                                 |
| Mr OETTINGER    | Member                                 |

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

|               |                                     |
|---------------|-------------------------------------|
| Ms CASTAGNOLI | Adviser in Baroness ASHTON's office |
| Mr POWER      | A member of Ms KROES's staff        |
| Mr SADAUSKAS  | Chef de cabinet to Mr ŠEMETA        |
| Ms PERESSO    | A member of Mr DE GUCHT's staff     |

The following also sat in:

|                      |                                                    |
|----------------------|----------------------------------------------------|
| Mr LAITENBERGER      | Chef de cabinet to the PRESIDENT                   |
| Mr ROMERO REQUENA    | Director-General, Legal Service                    |
| Mr VANDERSTEEN       | Deputy Director-General (acting), DG Communication |
| Ms AHRENKILDE HANSEN | Commission Spokeswoman                             |
| Mr SCHINAS           | Bureau of European Policy Advisers                 |
| Mr FRUTUOSO DE MELO  | Deputy Chef de cabinet to the PRESIDENT            |
| Ms PARI              | A member of Mr LEWANDOWSKI's staff                 |
| Mr PRESA             | DG Budget                                          |

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

**1. AGENDAS**

**(OJ(2012)1994/3; SEC(2012)161/2)**

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings.

**2. WEEKLY MEETING OF CHEFS DE CABINET**

**(RCC(2012)1994)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 12 March.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1993<sup>RD</sup> MEETING  
(7 MARCH)**

**(PV(2012)1993; PV(2012)1993, PART II)**

The Commission approved the minutes of its 1993<sup>rd</sup> meeting.

**4. INTERINSTITUTIONAL RELATIONS**

**(RCC(2012)21)**

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 9 March (RCC(2012)21).

It paid particular attention to the following points.

**4.1. LEGISLATIVE MATTERS**

**i) Ordinary legislative procedure**

(point 1.2 of the IRG record)

Dossiers at Parliament first reading

- Roaming on public mobile communications networks within the Union (Regulation – recast) – NIEBLER report – 2011/0187 (COD)

The Commission approved the line set out in SI(2012)101.

- Specific measures in favour of agriculture in the smaller Aegean islands (Regulation) – PAPASTAMKOS report – 2010/0370 (COD)

The Commission approved the line set out in SI(2012)89.

- Amendment of Council Regulation (EC) 1083/2006 as regards certain provisions relating to risk sharing instruments for Member States experiencing or threatened with serious difficulties with respect to their financial stability (Regulation) – HÜBNER report – 2011/0283 (COD)

The Commission approved the line set out in SI(2012)94.

- Certain permitted uses of orphan works (Directive) – GERINGER DE OEDENBERG report – 2011/0136 (COD)

The Commission approved the line set out in SI(2012)98/2.

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

**ii) Programming of Council business**

(SI(2012)102)

The Commission took note of the information in SI(2012)102 on the Council meetings between 15 and 28 March.

**4.3. RELATIONS WITH PARLIAMENT**

**iii) Action taken on non-legislative resolutions adopted by Parliament at its December 2011 part-session**

(point 3.5.1 of the IRG record)

The Commission approved the documents SP(2012)162 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its December part-session, for transmission to Parliament.

**iv) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its January part-session**

(point 3.5.2 of the IRG record)

The Commission approved document SP(2012)171 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its January part-session, for transmission to Parliament.

**v) Participation by Members of Parliament in international conferences**

(point 3.7 of the IRG record)

- 8<sup>th</sup> regular session of the Western and Central Pacific Fishing Commission (Guam, 26 to 30 March)

The Commission agreed to the request to the PRESIDENT from Mr Martin Schulz, President of Parliament, concerning the attendance of one Member of the European Parliament at the above-mentioned meeting as an observer in the EU delegation, with a reminder about the procedure to be followed.

**vi) Latest developments at Parliament**

(point 3.8 of the IRG record)

- Proposal for a regulation of the European Parliament on the detailed provisions governing the exercise of the European Parliament's right of inquiry and repealing Decision 95/167/EC, Euratom, ECSC of the European Parliament, the Council and the Commission of 19 April 1995 – MARTIN report – 2009/2212 (INI)

The Commission approved the line set out in SP(2012)190.

#### **4.4. EXTERNAL RELATIONS**

- vii) Accession of the European Union to the Treaty of Amity and Cooperation in Southeast Asia (Council Decision) – 2012/0028 (NLE)**  
(point 5.1 of the IRG record)

The Commission approved the line set out in SI(2012)91/2.

- viii) Adoption of the draft EU position on the negotiations on ‘Recommended practices for effective counterterrorism practice in the criminal justice system’ in the Global Counterterrorism Forum (GCTF)**  
(point 5.3 of the IRG record)

The Commission approved the line set out in SI(2012)96.

- ix) Position to be adopted by the European Union and its Member States within the Association Council established by the Euro-Mediterranean Agreement establishing an association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, with regard to the adoption of a recommendation on the implementation of the EU-Jordan European Neighbourhood Policy (ENP) Action Plan (Council Decision) – 2011/0069 (NLE)**  
(point 5.4 of the IRG record)

The Commission approved the line set out in SI(2012)99.

## **5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS**

### **5.1. WRITTEN PROCEDURES APPROVED** **(SEC(2012)162 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 5 and 9 March.

**5.2. *EMPOWERMENT***  
***(SEC(2012)163 ET SEQ.)***

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 5 and 9 March.

**5.3. *DELEGATION AND SUBDELEGATION OF POWERS***  
***(SEC(2012)164 ET SEQ.)***

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 5 and 9 March, as archived in e-Greffe.

**5.4. *SENSITIVE WRITTEN PROCEDURES***  
***(SEC(2012)165)***

The Commission took note of the sensitive written procedures for which the time limit expired between 12 and 16 March and of the 'finalisation' written procedure initiated following the weekly meeting of Chefs de cabinet on 5 March.

**5.5. *AD HOC EMPOWERMENT CONCERNING THE ROLE PLAYED BY THE COMMISSION IN THE MONITORING OF CONDITIONALITY ASSOCIATED WITH THE FINANCIAL SUPPORT TO GREECE PROVIDED BY THE EURO AREA MEMBER STATES***  
***(C(2012)1632 AND /2)***

The Commission decide to empower Mr REHN, Member of the Commission responsible for economic and monetary affairs and the euro, in agreement with the PRESIDENT, on its behalf and under its responsibility, to prepare, negotiate with the Greek authorities and sign, after approval by the lending Member States, the revisions to the memorandum of understanding setting the

detailed policy conditions attached to the loan, required as a result of the adoption of the Council Decision, under the terms set out in C(2012)1632/2.

**6. ADMINISTRATIVE AND BUDGETARY MATTERS  
(SEC(2012)166)**

**ADMINISTRATIVE MATTERS  
(PERS(2012)35)**

**6.1. *INTERNAL AUDIT SERVICE – APPOINTMENT OF AD15 DIRECTOR-GENERAL***

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr ŠEMETA, the Commission decided to fill the post of Director-General of the Internal Audit Service by transferring in the interest of the service under Article 7 of the Staff Regulations Mr Philippe TAVERNE, AD15 official and currently Deputy Director-General of DG Budget.

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

**6.2. *DG BUDGET – INTERNAL AND INTERINSTITUTIONAL PUBLICATION OF A VACANCY NOTICE FOR AN AD15/16 DEPUTY DIRECTOR-GENERAL***

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr LEWANDOWSKI, the Commission decided to authorise the publication, under Article 29(1)(a)(i) and (iii) and 29(1)(b) of the Staff Regulations, of the vacancy notice for the post of Deputy Director-General of DG Budget, the text of which would be adopted by simplified procedure.

These decisions would take effect immediately.

## 7. OTHER BUSINESS

### ***PREPARATION OF THE GENERAL BUDGET OF THE EUROPEAN UNION FOR THE 2013 FINANCIAL YEAR***

By way of introduction, the PRESIDENT explained that he had asked Mr LEWANDOWSKI to provide the Members of the Commission with some political background to the key upcoming dates relating to the budget. In this context, he noted that the real negotiations on the future multiannual financial framework would probably begin in the next few weeks and that the 2012 and 2013 budgets would still have to be implemented under the current multiannual framework. He stressed that today's discussion should focus not on technical details but on the policy aspects of current and future budget management.

He referred to the public statements he had made in favour of a European budget that was a real budget for growth and investment in Europe. Given the chorus of voices clamouring for more growth, he felt it was important to point out straight away that such a budget already existed, i.e. the proposal for a multiannual financial framework. It was vital for the Commission to demonstrate to the Member States that there was enough existing capacity to absorb what had been proposed and that it could help all the Member States to focus spending on priorities linked to growth and employment.

He acknowledged that the preparation of the 2013 budget was coming at a particularly sensitive time: it was the last budget of the current multiannual financial framework (2007-2013) and in any multiannual exercise the amount of payments was always highest in the last year as by then the programmes were fully operational. At the same time, the general economic climate in the Member States was one of budgetary consolidation, which in some cases was very rigorous, and the Commission must not forget to take this general political and economic context into account in its decisions and measures.

Nevertheless, he felt that the Member States must be coherent and that they could not argue in support of more growth and competitiveness and the fast-tracking of

expenditure from the European budget and then feign surprise the next day and refuse to accept the practical consequences, i.e. higher levels of payments in each annual budget. In this context he reminded the meeting of the opposition from the Member States that were net contributors and, in the negotiations on the future multiannual financial framework, were using as a pretext the question of outstanding commitments.

The PRESIDENT also mentioned the large backlog of invoices to be paid since the end of 2011. He estimated that an extra EUR 5 billion or so could have been paid to the Member States if the corresponding appropriations had been available. He felt that this too was a matter of planning on the part of the Member States and that the Commission could implement the European budget more effectively only if the Member States sent in their payment requests more regularly and improved their forecasts of future requirements.

He pointed out that the Commission proposal for the 2013 draft budget, on which a decision would be taken on 25 April, would have to have a very sound basis and reconcile two approaches which might at first glance appear to be in conflict: on the one hand the need for a budget that took account of political realities and was acceptable to the Member States and, on the other, the need for a level of payment appropriations that matched the Commission's legal obligations and prior commitments. He felt that this was the logic followed in the draft multiannual financial framework, which the Member States must understand and respect, and he asked every Member of the Commission to defend this line, whatever the time and place, vis-à-vis the Member States and Parliament and in the media.

Before leaving the floor to Mr LEWANDOWSKI, the PRESIDENT noted that the 2013 draft budget would be the first to implement the proposal to reduce staff which was included in the package of measures on the future multiannual financial framework. He hoped that the 1% cut planned for 2013 – the first stage towards the goal of 5% over five years proposed by the Commission – would be followed by identical measures by the other institutions.

He ended his presentation by promising that the Commission would revisit these

budgetary issues at a later meeting, as part of the preparations for the June European Council, when it would discuss how far its proposal for a multiannual financial framework had progressed and what steps to take next.

Mr LEWANDOWSKI took the floor and, with the help of a room document, presented various aspects of the implementation of the 2011 budget and the forecasts for 2012 and 2013, when a large volume of payment requests would have to be dealt with.

He said that the implementation of the 2011 budget had borne out the Commission's initial proposal, which had certainly not overestimated requirements. Referring to the letter which he had sent each Commission Member in February, he pointed to the high rate of implementation for both commitment and payment appropriations. He also noted the shortfall in certain payments, which had increased the volume of outstanding commitments, particularly in the field of cohesion policy, where an extra EUR 5 billion could have been paid if the corresponding appropriations had been available.

In his view the late submission by the Member States of large end-of-year payment requests was an exception caused by the application of a higher cofinancing rate for certain Member States in difficulty and implementation of the 'N+2' automatic decommitment rule, hence the risks relating to non-payment for certain other Member States. The Commission needed to avoid a repetition of this concentration of requests in December, and Mr HAHN, Mr ANDOR and he would shortly be sending a letter to the Member States urging them to spread their payment requests more evenly over the whole year.

As regards the 2012 budget, Mr LEWANDOWSKI felt that it was important to apply the lessons of the 2011 budget implementation. To improve the quality of the forecasts, he would like each Member of the Commission to ask his or her services to send any information concerning possible under-implementation to DG Budget. For the 2012 budget, he believed that the Commission would have a sound enough basis to submit a request for additional payment appropriations to the budget authority.

Turning to the 2013 budget, he pointed out – ahead of the discussion on the Commission's agenda for 25 April – that the current situation showed the need to set negative priorities while at the same time continuing to allocate sufficient resources to the Commission's priority policy areas (small and medium-sized enterprises, youth and employment). It was also necessary to find appropriate financing for the ITER project.

Also with regard to the 2013 budget, he said that the request for payment appropriations must be credible and sound. Preliminary forecasts suggested that the main increases would be in the areas of cohesion and research policy. The Commission must also show restraint in its administrative expenditure, since 2013 was the first year of the 5% reduction of staff over five years. This reduction would also apply to the agencies. In his view the Commission's credibility would in fact hinge on the level of payments and its restrictions on administrative expenditure.

In conclusion, Mr LEWANDOWSKI stressed the need to defend a European budget that helped to implement the Europe 2020 strategy and to boost growth and employment. As requested by the European Council, clear priority must be given to the sectors and policies which contributed to encouraging investment, growth and employment, while also identifying negative priorities.

During the discussion that followed this presentation, the following main points were raised:

- the importance of applying the lessons learned from the implementation of the 2011 budget to 2012 and 2013;
- the need for the Commission to show restraint in managing its administrative expenditure but, at the same time, for the proposed staff reductions to be applied equally by all the institutions;
- the need to point out to the Member States their responsibilities in terms of budget implementation and requests for payment;
- a reminder that the structural funds were crucial for innovation and growth in

Europe and the need to ensure that the co-financing rates were viable and credible; the Commission must adopt a rigorous approach here and, while meeting its commitments, particularly to Member States in difficulties, it must not hesitate to reduce these rates when they appeared too high, in order to send an appropriate signal to the Member States;

- requests for clarification of certain aspects of the budgetary technique relating to the difference between commitments and payments, the reasons for this difference and the calculation methods used.

Replying to the questions raised, Mr LEWANDOWSKI emphasised the importance of continuing payments to Member States as far as possible, with due observance of the automatic decommitment rule. He referred, too, to the impact that the accession of Croatia would have on the budget.

The PRESIDENT thanked Mr LEWANDOWSKI and the other speakers, pointing out that today's conclusions were a first step in examining these budgetary issues and that the 2013 draft budget proposal must be submitted to the Commission and discussed on 25 April.

He stressed that the European budget must be clearly defined as a tool for investment and growth in Europe, adding that this responded to the demands of the political world as a whole. He urged each Member to demonstrate and emphasise continually, without getting unduly bogged down in the details, how the 2012 and 2013 budgets could be used for this purpose, despite the difficulties in communicating certain specific points.

He also touched on the difficult economic context of these budget years and, while stressing the need to take on board the economic and political situation in Europe, pointed out that the Commission must make clear to Member States their responsibilities.

With regard to the co-financing rate, he felt that the unprecedented situation in the more vulnerable Member States might justify raising this rate slightly. However, these should be exceptional measures relating to the crisis and should not last any

longer than the crisis itself. He added that when the Commission made significant human and financial resources available to help a particular Member State, it was important that this State should be able to honour its specific commitments on the ground. He would be making this point at the next European Council.

In conclusion, he highlighted the importance of the collective and individual effort in drawing up the budgets for the coming years and stressed that the 1% annual reduction in personnel and the other administrative expenditure cuts must have a similar impact on all the institutions and that they must all be subject to the same rules and constraints.

Winding up, the PRESIDENT emphasised the importance of the implementation of the 2012 budget. Referring to both the budgetary discharge of January 2014 and certain new studies by the Court of Auditors, he asked each Commission Member, together with his or her services, to monitor closely the relevant aspects of budget implementation in their areas of responsibility and to contact Mr LEWANDOWSKI if they had any problems or queries.

The Commission took note of these conclusions and this information.

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The meeting closed at 13.57.