EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2012) 2024 final

Brussels, 5 December 2012

MINUTES

of the 2024th meeting of the Commission

held in Strasbourg

(Winston Churchill building)

on Tuesday 20 November 2012

(afternoon)

TABLE OF CONTENTS

Single sitting: Tuesday 20 November 2012 (afternoon)

The sitting opened at 13.06 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President
Ms REDING	Vice-President
Mr ALMUNIA	Vice-President
Mr TAJANI	Vice-President
Mr POTOČNIK	Member
Mr BARNIER	Member
Ms VASSILIOU	Member
Mr ŠEMETA	Member
Mr DE GUCHT	Member
Ms GEOGHEGAN-QUINN	Member
Ms DAMANAKI	Member
Ms GEORGIEVA	Member
Mr OETTINGER	Member
Mr HAHN	Member
Ms HEDEGAARD	Member
Mr FÜLE	Member
Mr ANDOR	Member
Ms MALMSTRÖM	Member
Mr CIOLOŞ	Member

Absent:

Baroness ASHTON	High Representative/ Vice-President
Mr KALLAS	Vice-President
Ms KROES	Vice-President
Mr ŠEFČOVIČ	Vice-President
Mr REHN	Vice-President
Mr PIEBALGS	Member
Mr LEWANDOWSKI	Member

<u>The following sat in to represent absent Members of the Commission</u>:

Ms CASTAGNOLI	Adviser in Baroness ASHTON's Office
Mr POWER	A member of Ms KROES's staff
Mr SZAPIRO	A member of Mr ŠEFČOVIČ's staff
Ms ITKONEN	A member of Mr REHN's staff
Mr KARHUNEN	Adviser in Mr PIEBALGS's Office

<u>The following also sat in</u>:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT
Mr ROMERO REQUENA	Director-General, Legal Service
Mr PAULGER	Director-General, DG Communication
Mr DOENS	Head of the Commission Spokesperson Service
Ms AHRENKILDE HANSEN	Commission Spokeswoman
Mr SCHINAS	Bureau of European Policy Advisers
Mr KLAUS	A member of the PRESIDENT's staff

Secretary: Mr AYET PUIGARNAU, Director in the Secretariat-General.

1. AGENDAS
(OJ(2012) 2024/FINAL; SEC(2012) 630/2)

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) 2024)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 19 November.

3. MINUTES OF 2023RD MEETING (14 NOVEMBER)

The Commission held over approval of the minutes of its 2023rd meeting for the following week.

4. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

STATE AID – INDIVIDUAL CASES
(SEC(2012) 660; RCC(2012) 119)

The Commission adopted the decisions in SEC(2012) 660.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2012) 631 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 November.

5.2. EMPOWERMENT (SEC(2012) 632 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 November.

5.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2012) 633 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 12 and 16 November, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES (SEC(2012) 634 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 19 and 23 November and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on 19 November.

6. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2012) 635)

ADMINISTRATIVE MATTERS
(PERS(2012) 118)

6.1. DG TRADE – APPOINTMENT OF AD14/15 DIRECTOR (PERS(2012) 62 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director, 'WTO, Legal Affairs and Trade in Goods', in DG Trade (PERS(2012) 62).

It took note of the opinions of the Consultative Committee on Appointments of 19 September and 25 October (PERS(2012) 62/2 and /3).

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 DE GUCHT, it then decided to appoint Ms Ditte JUUL-JØRGENSEN to the post.

This decision would take effect on 1 December 2012.

6.2. DG EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION – APPOINTMENT OF AD15 DIRECTOR

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr ANDOR, the Commission decided to fill the post of Director, 'Europe 2020: Employment policies', in DG Employment, Social Affairs and Inclusion by transferring in the interest of the service under Article 7 of the Staff Regulations Mr Detlef ECKERT, currently Director, 'Media and Data', in DG Communication Networks, Content and Technology.

This decision would take effect on 1 January 2013.

6.3. DG HUMAN RESOURCES AND SECURITY – DEROGATION FROM THE COMMISSION DECISION ON MIDDLE MANAGEMENT STAFF AND FROM THE COMMISSION COMMUNICATION ON ORGANISATION CHARTS OF COMMISSION DGS AND SERVICES

The Commission took note of the information in point 3 of PERS(2012) 118 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided:

– to derogate from its decision C(2008) 5028 on middle management staff and from its communication SEC(2006) 1702 on organisation charts of Directorates-General and services, and to authorise the publication of the AD12/14 post of Head of Interpretation Department A.III in DG Interpretation;

– to publish this post exclusively under Article 29(1)(a)(i) of the Staff Regulations and to apply the provisions of Articles 9(2) and 10 of Commission decision C(2008) 5028/2, with the exception of the eligibility criterion relating to seniority in grade.

These decisions would take effect immediately.

7. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – RETHINKING EDUCATION – INVESTING IN SKILLS FOR BETTER SOCIO-ECONOMIC OUTCOMES

(COM(2012) 669 TO /3; SWD(2012) 371; SWD(2012) 372; SWD(2012) 373 AND /2; SWD(2012) 374; SWD(2012) 375; SWD(2012) 376; SWD(2012) 377 AND /2; RCC(2012) 118)

The Commission approved the Communication in COM(2012) 669/3, for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and, for information, to the national parliaments, together with the staff working documents distributed as SWD(2012) 371, SWD(2012) 372, SEC(2012) 373 and /2, SWD(2012) 374, SWD(2012) 375, SWD(2012) 376, SWD(2012) 377 and /2, the contents of which were noted.

8. PROPOSAL FOR A DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL DEROGATING TEMPORARILY FROM DIRECTIVE 2003/87/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ESTABLISHING A SCHEME FOR GREENHOUSE GAS EMISSION ALLOWANCE TRADING WITHIN THE COMMUNITY (COM(2012) 697)

The Commission adopted the proposal for a Decision in COM(2012) 697, for transmission to Parliament, the Council, the Economic and Social Committee, the Committee of the Regions and the national parliaments.

9. INTERINSTITUTIONAL RELATIONS (RCC(2012) 116)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 16 November (RCC(2012) 116).

It paid particular attention to the following points.

9.1. LEGISLATIVE MATTERS

i) Ordinary legislative procedure

(point 1.2 of the IRG record)

<u>Dossiers at Parliament first reading</u>

– Multiannual Financial Framework 2014-2020 – European Social Fund and repeal of Regulation EC 1081/2006 (Regulation) – MORIN-CHARTIER report – 2011/0268 (COD)

The Commission took note of the information in SI(2012) 482.

– Multiannual Financial Framework 2014-2020 – Health for Growth Programme, the third multi-annual programme of EU action in the field of health for the period 2014-2020 (Regulation) – GROSSETÊTE report – 2011/0339 (COD)

The Commission approved the line set out in SI(2012) 509.

– Multiannual Financial Framework 2014-2020 – Guidelines for trans-European energy infrastructure and repeal of Decision 1364/2006/EC (Regulation) – CORREIA DE CAMPOS report – 2011/0300 (COD)

The Commission approved the line set out in SI(2012) 505/2.

– Amendment of Regulation EC 1060/2009 on credit rating agencies (Regulation) – DOMENICI report – 2011/361 (COD)

The Commission approved the line set out in SI(2012) 500/3.

– European Network and Information Security Agency (ENISA) (Regulation) – CHICHESTER report – 2010/0275 (COD)

The Commission approved the line set out in SI(2012) 489/2.

– Amendment of Regulation EC 1760/2000 as regards electronic identification of bovine animals and deletion of the provisions on voluntary beef labelling (Regulation) / Amendment of Council Directive 64/432/EEC as regards computer databases which are part of the surveillance networks in the Member States (Directive) – AUCONIE reports – 2011/0229 (COD) / 2011/0228 (COD)

The Commission approved the line set out in SI(2012) 515.

– Public procurement (Directive) – TARABELLA report – 2011/0438 (COD)

The Commission approved the line set out in SI(2012) 502.

– Implementation of enhanced cooperation in the area of the creation of unitary patent protection (Regulation) – RAPKAY report – 2011/0093 (COD)

The Commission approved the line set out in SI(2012) 503.

Dossiers at Council first reading

– Amendment of certain regulations relating to the common commercial policy as regards the procedures for the adoption of certain measures (Regulation) – QUISTHOUDT-ROWOHL report – 2011/0039 (COD)

The Commission approved the line set out in SI(2012) 504 and /2.

– Customs enforcement of intellectual property rights (Regulation) – CREUTZMANN report – 2011/0137 (COD)

The Commission approved the line set out in SI(2012) 501.

9.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

ii) Programming of Council business

(SI(2012) 514)

The Commission took note of the information in SI(2012) 514 on the European Council and Council meetings between 22 November and 5 December.

iii) Draft general budget of the European Union for 2013

(SI(2012) 517)

The PRESIDENT reminded the meeting that the Conciliation Committee had failed to reach agreement on the 2013 European budget the previous week and that the Commission was now obliged to propose formally a new draft budget in order to relaunch the budget procedure and enable it to be concluded before the end of the year, failing which the system of provisional twelfths would have to be put into operation.

The Commission's new proposal would have to be adopted at the latest on 23 November, which unfortunately coincided with the extraordinary European Council. The new draft would follow the lines of the proposed compromise which had been discussed during the budget conciliation procedure. The PRESIDENT therefore suggested that the Commission empower the Member with responsibility for financial programming and the budget to adopt the new budget proposal for 2013 in line with the guidelines set out in SI(2012) 517, and asked the departments concerned, as a precautionary measure, to prepare for the possible implementation of the provisional twelfths system.

The Commission decided:

– to approve the guidelines for drawing up a new draft general budget of the European Union for 2013 as set out in SI(2012) 517;

– to empower Mr LEWANDOWSKI, Member of the Commission responsible for financial programming and the budget, in accordance with Article 13 of the Rules of Procedure and in agreement with the PRESIDENT, to finalise the draft 2013 budget on the basis of the above document, adopt it formally, and send it to Parliament and the Council;

– to instruct the Directorate-General for the Budget to coordinate preparations for the possible implementation of the provisional twelfths system.

iv) Preparations for the extraordinary European Council (Brussels, 22 and 23 November)

The PRESIDENT opened the debate on the preparations for the extraordinary European Council on 22 and 23 November, which would be devoted to the future Multiannual Financial Framework 2014-2020 (MFF), and alluded to the serious difficulties and tensions besetting these negotiations.

He believed that Thursday 23 November would be a moment of truth for the Member States, particularly for those who would be willing to reach a genuine compromise, those who would be prepared, at least in part, to take a European view, and those who would respect the commitments made to revive the economy by approving a budget for Europe that would have an important leverage effect on growth and jobs in this period of economic crisis.

At this stage, all options were being explored, and he would do his utmost to foster an agreement, which he still felt was within reach, provided that it was reasonable and fair. He pointed out that, despite being a member of the European Council, the Commission President did not have a vote. Nevertheless, he enjoyed a degree of power and played an essential role in the final stage of the negotiations, both in helping to find a compromise and in defending the spirit and balance of the Commission's initial proposal.

The PRESIDENT said he had responded very positively to the proposal by the President of the European Council, Herman Van Rompuy, to work very closely with him in these negotiations, but had added that there might come a point when, as President of the Commission, he would no longer be able to support the proposed compromise. The Commission's credibility was at stake, and he felt that the initial proposal presented by the institution was still the best text on the table. He expressed his desire to continue to defend this proposal, and noted that a majority of Member States had indicated at the last General Affairs Council the day before that they would be able to support it. He regretted that certain Member States were assessing the proposed budgetary framework mainly in terms of gains and losses at national level.

The PRESIDENT also reiterated the need for Parliament to approve any compromise that might be reached, and stressed the importance of keeping it properly informed of the Commission's position on this matter. Parliament's President, Martin Schulz, would be speaking at the beginning of the meeting, to which he was traditionally invited even though he was not a member of the European Council, and could be counted on warmly to defend the European cause.

Turning to the substance of the negotiations, the PRESIDENT said that everyone was well aware of what was needed for an agreement. In terms of the total amount, some governments regarded the 75 billion euro cut proposed in the new version of the negotiating framework transmitted by the President of the European Council as insufficient, whereas others felt it went too far and complained that it was targeted particularly at cohesion policy or the common agriculture policy, or both. The question of correction mechanisms was contentious for several Member States which felt themselves at a disadvantage compared to other net contributors.

He deplored the purely national thinking on these different issues and feared that the essentially European elements of the budget would be sacrificed or used to create room for manoeuvre to satisfy everyone's claims. To illustrate the complexity of the exercise, he said that the President of the European Council had reported at the General Affairs Council on 19 November that the Member States had presented him with about 100 specific and sometimes mutually contradictory demands when they met for bilateral talks. Yet at the same time, a large majority of Member States had voiced their support on that very occasion for an agreement on the MFF, including the British government, which still considered an agreement to be possible, albeit difficult.

He explained that provisions existed for dealing with the consequences of a failure to reach agreement, but this would entail serious risks for the operation and effectiveness of Union policies, particularly in terms of predictability in the medium and long term. Quite apart from the legal and political complexity, however, the economic impact of a failure of the negotiations on the Multiannual Financial Framework would be enormous given that one of the advantages of the framework was precisely that it provided security for investment planning over a period of several years. The European Union could ill afford the sort of reduction in investment that the lack of such security would entail.

Winding up his presentation, the PRESIDENT said that he would be taking part in the debate in the European Parliament plenary on Wednesday and on Thursday would join Herman Van Rompuy in the bilateral contacts with all of the Heads of State and Government of the 27 Member States and Croatia. At the end of these meetings a new compromise proposal would be presented on Thursday evening, which would form the basis for starting the final phase of the negotiations proper. Referring again to the strong pressure to reach an agreement because of the high cost and serious impact of any failure to do so, he admitted that the negotiations were currently being dragged down by the demands of certain net contributors, particularly the United Kingdom, and there was a very real risk that a compromise would emerge on a sharply reduced overall budget, at the expense of the truly European elements of the MFF. If this were the case, it would be up to the Commission to defend the balance of its initial proposal for each of the budget headings, including the European administration and civil service.

Lastly, the PRESIDENT said that it was important for the Commission to be present right up to the final phase of the negotiations. This was the only way to exert a real influence in bringing about a balanced and acceptable result and to prevent the advocates of a minimalist Europe from winning the day. Lastly, he asked each Commission Member for maximum caution in informing the public.

A brief discussion was held, in the course of which the following points, in particular, were raised: (i) the importance of the link between the agreement on the 2014-2020 Multiannual Financial Framework and the proposals for reform of the common agricultural policy or expenditure in the field of cohesion policy; (ii) the case for a mid-term review clause in the Multiannual Financial Framework, which could provide additional room for manoeuvre in the negotiations with the Member States and Parliament; however, certain Commission Members warned against the risks of such a clause and stressed the need for the predictability of expenditure and revenue over several years in order to enable the planning necessary to implement Union policies; (iii) questions on how to inform the public effectively on the negotiations concerning the Multiannual Financial Framework and the different scenarios possible.

The PRESIDENT thanked the Members for their contributions and emphasised strongly the need to preserve the overall balance of the Commission’s initial proposal and to defend this proposal as a whole. He stressed the general European interest and the need for the Commission to make the case for the European dimension of certain policies that the Member States did not include in their immediate concerns. In particular, he stressed that research and innovation or the financing of major trans-European networks under the ‘Connecting Europe’ programme were essential investments for the future.

As regards the negotiations at the European Council, he highlighted once again the need to secure a result that would unite the 27 Member States and Parliament. Consequently, when informing the public it was necessary to avoid speculating as to other foreseeable scenarios.

Concerning the suggestion that a mid-term review clause be inserted in the agreement on the Multiannual Financial Framework, he reminded the Members that such a clause already existed in the current MFF. He emphasised the Commission’s concern for budget predictability, with the possibility of making improvements as and when necessary, while pointing out the possible risks of subsequently re-opening the package negotiated.

Winding up, he noted once again the good collaboration between the Commission and the President of the European Council to further the European interest, the Council President’s confirmation of the balanced nature of the Commission’s proposal, and the need to find a compromise by stressing both the general European interest and that of all the Member States and the common commitment to ‘better spending’.

The Commission took note of these points.

v) Preparation of Council meeting (Agriculture and Fisheries) (Brussels, 28 and 29 November)
(point 2.3.6 of the IRG record)

– Error rate in rural development measures.

The Commission took note of the information in SI(2012) 507.

vi) Trade-related measures to guarantee the supply of certain fishery products to Union processors from 2013 to 2015, amendment of Regulations (EC) 104/2000 and (EU) 1344/2011 and repeal of Regulation (EC) 1062/2009 – (Council Regulation) – 2012/0174 (NLE)
(point 2.4 of the IRG record)

The Commission approved the line set out in SI(2012) 511.

9.3. RELATIONS WITH PARLIAMENT

vii) Preparation of Parliament's November part-session
(point 3.1 of the IRG record)

Non-legislative dossier

– Towards a genuine Economic and Monetary Union – THYSSEN report – 2012/2151 (INI)

The Commission approved the line set out in SP(2012) 786 and /2.

viii) Action taken on non-legislative resolutions adopted by Parliament at its September part-session
(point 3.5.1 of the IRG record)

The Commission approved, for transmission to Parliament, documents SP(2012) 766 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its September part-session.

ix) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its October I and II part-sessions
(point 3.5.2 of the IRG record)

The Commission approved, for transmission to Parliament, document SP(2012) 767 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its October I and II part-sessions.

9.4. RELATIONS WITH THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS, THE EUROPEAN OMBUDSMAN AND NATIONAL PARLIAMENTS

x) Participation by Members of the Committee of the Regions in international conferences
(point 4.3 of the IRG record)

– 18th Conference of the Parties to the United Nations Framework Convention on Climate Change (Durban, 26 November to 7 December)

The Commission agreed to the request to the PRESIDENT from Mr Ramón Luis Valcárcel Siso, President of the Committee of the Regions, concerning the attendance of two Members of the Committee of the Regions at the above-mentioned meeting as observers in the EU delegation.

9.5. EXTERNAL RELATIONS

xi) Enlargement of the Organisation for Economic Cooperation and Development (OECD)

(point 5.1 of the IRG record)

The Commission approved the line set out in SI(2012) 512/2.

*

*   *

The meeting closed at 14.06.