EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2013) 2057 final

Brussels, 18 September 2013

<u>MINUTES</u>

of the 2057th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 4 September 2013

(morning)

TABLE OF CONTENTS

Single sitting: Wednesday 4 September 2013 (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	Item 10 (in part)
Mr ALMUNIA	Vice-President	
Mr KALLAS	Vice-President	
Ms KROES	Vice-President	
Mr TAJANI	Vice-President	
Mr POTOČNIK	Member	
Mr PIEBALGS	Member	
Mr BARNIER	Member	Item 10 (in part)
Ms VASSILIOU	Member	Items 1 to 10 (in part)
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	
Ms GEOGHEGAN-QUINN	Member	
Ms DAMANAKI	Member	
Ms GEORGIEVA	Member	
Mr OETTINGER	Member	Items 1 to 10 (in part)
Mr FÜLE	Member	Items 1 to 10 (in part)
Mr ANDOR	Member	
Ms MALMSTRÖM	Member	
Mr CIOLOŞ	Member	
Mr BORG	Member	Items 1 to 10 (in part)
Mr MIMICA	Member	

Absent:

Mr ŠEFČOVIČ	Vice-President
Mr REHN	Vice-President
Mr LEWANDOWSKI	Member
Mr HAHN	Member
Ms HEDEGAARD	Member

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

Mr NOCIAR	Chef de cabinet to Mr ŠEFČOVIČ	Items 1 to 10 (in part)
Mr BIERVERT	Deputy Chef de cabinet to Mr ŠEFČOVIČ	Item 10 (in part)
Mr ALTAFAJ TARDIO	Deputy Chef de cabinet to Mr REHN	Items 1 to 10 (in part)
Mr LEMAÎTRE	Chef de cabinet to Mr LEWANDOWSKI	Item 10 (in part)
Mr GAMBS	Chef de cabinet to Mr HAHN	
Mr VIS	Chef de cabinet to Ms HEDEGAARD	

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	Items 1 to 10 (in part)
Mr SOBRAL	Deputy 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	Items 1 to 10 (in part)
Mr THEBAULT	Head of the Bureau of European Policy Advisers	Item 10 (in part)
Mr MORRISON	Chef de cabinet to Baroness ASHTON	
Mr VANHEUKELEN	Chef de cabinet to Mr DE GUCHT	
Mr HAGER	Chef de cabinet to Mr OETTINGER	Item 10 (in part)
Mr HÄUSLER	Chef de cabinet to Mr CIOLOŞ	Items 1 to 10 (in part)
Mr DEMARTY	Director-General, DG Trade	Item 10 (in part)

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

The PRESIDENT opened the Commission meeting by paying tribute to Robert Schuman on the 50th anniversary of his death on 4 September 1963. Speaking on behalf of the institution and on his own behalf, he made the following statement:

'It is fifty years since the death of Robert Schuman, whose famous Declaration laid the foundations of the European Union of today. His appeal for reconciliation between Europeans still resonates strongly to this day. On behalf of the European Commission and on my own behalf, I would like to pay tribute to him and express our respect and gratitude.

Robert Schuman was born German and became a French citizen after the First World War. But above all he was a European in heart and mind.

As a founding father he put solidarity and cooperation at the heart of his vision of a peaceful and modern Europe that had confidence in its own future.

Solidarity and cooperation must remain at the heart of our action. In a world which is becoming less and less European, we must be more and more European!

The Schuman Declaration opens with these words: "World Peace cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it." In the era of globalisation, we must put all our intelligence, all our energy and all our heart into defending peace and democracy, freedom and justice in Europe and across the world.'

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1. AGENDAS
(OJ(2013) 2057/FINAL; SEC(2013) 451/2)

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(2013) 2057)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 2 September.

3. MINUTES OF 2056TH MEETING (24 JULY)
(PV(2013) 2056 AND /2)

The Commission approved the minutes of its 2056th meeting.

4. INTERINSTITUTIONAL RELATIONS

LEGISLATIVE MATTERS

i) Multiannual Financial Framework 2014-2020 − European Globalisation Adjustment Fund 2014-2020 (Regulation) – HARKIN report − 2011/0269 (COD)
(SI(2013) 372/2 to /3)

The Commission approved the line set out in SI(2013) 372/2 and /3.

ii) **Procedures for applying the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and the Republic of Serbia, of the other part, and for applying the Interim Agreement between the European Community, of the one part, and the Republic of Serbia, of the other part (Regulation) – WINKLER report – 2011/0465 (COD)**
(SI(2013) 450 and /2)

The Commission approved the line set out in SI(2013) 450 and /2.

iii) **Markets in financial instruments and amendment of the EMIR Regulation on OTC derivatives, central counterparties and trade repositories (Regulation) / Markets in financial instruments and repeal of Directive 2004/39/EC (Directive – recast) – FERBER reports – 2011/0296 (COD) / 2011/0298 (COD)**
(SI(2013) 451)

The Commission approved the line set out in SI(2013) 451.

iv) **Statute and funding of European political parties and European political foundations (Regulation) – GIANNAKOU report – 2012/0237 (COD)**
(SI(2013) 453)

The Commission approved the line set out in SI(2013) 453.

v) **Right of access to a lawyer in criminal proceedings and right to communicate upon arrest (Directive) – ANTONESCU report – 2011/0154 (COD)**
(SP(2013) 438)

The Commission took note of the compromise text in SP(2013) 438, further to note SI(2013) 227, which it had already approved on 21 May.

vi) **Jurisdiction, applicable law and the recognition and enforcement of decisions in matters of matrimonial property regimes (Council Regulation) / Jurisdiction, applicable law and the recognition and enforcement of decisions regarding the property consequences of registered partnerships (Council Regulation) – THEIN reports – 2011/0059 (CNS) / 2011/0060 (CNS)**
(SP(2013) 533)

The Commission approved the line set out in SP(2013) 533.

vii) **Amendment of Directive 98/70/EC relating to the quality of petrol and diesel fuels and amendment of Directive 2009/28/EC on the promotion of the use of energy from renewable sources (Directive) – LEPAGE report – 2012/0288 (COD)**
(SP(2013) 534 and /2)

The Commission approved the line set out in SP(2013) 534 and /2.

viii) **Amendment of Council Regulation (EC) 2187/2005 for the conservation of fishery resources through technical measures in the Baltic Sea, the Belts and the Sound (Regulation) – GRÓBARCZYK report – 2012/0285 (COD)**
(SP(2013) 536 and /2)

The Commission approved the line set out in SP(2013) 536 and /2.

ix) **Amendment of Council Regulation (EC) 850/98 concerning the conservation of fishery resources through technical measures for the protection of juveniles of marine organisms (Regulation) – NICULESCU report – 2012/0208 (COD)**
(SP(2013) 537 and /2)

The Commission approved the line set out in SP(2013) 537 and /2.

5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

5.2. INFRINGEMENTS – URGENT INDIVIDUAL CASE (SEC(2013) 455)

The Commission adopted the decision in SEC(2013) 455.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED (SEC(2013) 438 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 22 July and 30 August.

6.2. EMPOWERMENT (SEC(2013) 439 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 22 July and 30 August.

6.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2013) 440 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 22 July and 30 August, as archived in e-Greffe.

6.4. SENSITIVE WRITTEN PROCEDURES (SEC(2013) 441 TO /3)

The Commission took note of the sensitive written procedures for which the time limit expired between 2 and 6 September.

6.5. AD HOC EMPOWERMENT FOR SIGNING, ON BEHALF OF THE COMMISSION, ITSELF ACTING ON BEHALF OF THE EUROPEAN STABILITY MECHANISM, A REVISED MEMORANDUM OF UNDERSTANDING WITH CYPRUS (C(2013) 5564)

The Commission decided to empower Mr REHN, the 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 sign, after approval by the Board of Governors of the European Stability Mechanism, the revised memorandum of understanding setting out the detailed economic policy conditions attached to the financial assistance to Cyprus, under the terms set out in C(2013) 5564.

7. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON MONEY MARKET FUNDS (COM(2013) 615 AND /2; SWD(2013) 315; SWD(2013) 316; SEC(2013) 452; RCC(2013) 113)

8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND TO THE COUNCIL − SHADOW BANKING – ADDRESSING NEW SOURCES OF RISK IN THE FINANCIAL SECTOR (COM(2013) 614 TO /3; RCC(2013) 113)

The Commission:

– adopted the proposal for a Regulation in COM(2013) 615/2 for transmission to Parliament, the Council, the European Central Bank, the Economic and Social Committee and the national parliaments, together with the impact assessment and the summary thereof in staff working documents SWD(2013) 315 and SWD(2013) 316 respectively, the contents of which were noted;

– took note of the opinion of the Impact Assessment Board on the above proposal for a Regulation, as set out in SEC(2013) 452;

– approved the Communication distributed as COM(2013) 614/3 for transmission to the European Parliament and the Council and, for information, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments.

9. AGREEMENT BY THE COMMISSION TO THE DOCUMENTS CONCLUDING THE NEGOTIATIONS ON THE MULTIANNUAL FINANCIAL FRAMEWORK 2014-2020 (C(2013) 5593 TO /3)

The Commission:

– approved the proposal for an Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, cooperation in budgetary matters and sound financial management, subject to legal/linguistic finalisation;

– approved the draft Joint Declaration on Own Resources;

– approved the draft Joint Declaration on improving effectiveness of public spending in matters subject to EU action;

– approved the draft Joint Declaration (related to the integration of gender-responsive elements in the annual budgetary procedures);

– approved the draft Joint Declaration on Article 15 of the Council Regulation laying down the MFF for the years 2014-2020;

– approved the draft Declaration by the European Commission on national management declarations;

- approved the draft Declaration by the European Commission on the review/revision of the Council Regulation laying down the MFF for the years 2014-2020;

- authorised Mr LEWANDOWSKI, the Member of the Commission in charge of financial programming and the budget, to communicate to Parliament and the Council the Commission's agreement to these documents and to transmit them to these institutions in view of their final adoption as soon as possible.

10. RELATIONS WITH NON-MEMBER COUNTRIES

10.1. CURRENT STATE OF PLAY OF THE TRADE NEGOTIATIONS WITH CANADA AND THE UNITED STATES (INFO(2013) 78; INFO(2013) 77)

The PRESIDENT opened the discussion on EU trade policy issues, which it had not been possible to hold at the Commission’s post-holiday seminar on 28 August. He welcomed the timeliness of this discussion, given the ambitious programme of negotiations the Commission had set itself in this field and the importance of trade as the driver of growth for the Union. He also welcomed the latest figures published, which indicated an increase in European trade surpluses with respect to the rest of the world, with a surplus of 10 billion for the Union as a whole and of around 17 billion for the euro area. He took the opportunity to highlight the good performances of the Member States countries benefiting from a European assistance programme, for example Portugal, which had reported a healthy current account balance for the first time in ten years.

He suggested that the discussion should focus on two of the trade agreements currently being negotiated: the Comprehensive Economic and Trade Agreement with Canada (CETA), the negotiations on which were nearing conclusion, and the Transatlantic Trade and Investment Partnership (TTIP) agreement with the US, negotiation of which had just been launched.

He explained that the discussion that day, on the basis of the briefing notes sent by Mr DE GUCHT to the Commission Members on these two agreements (in INFO(2013) 78 and INFO(2013) 77, respectively, the first of these in agreement with Mr CIOLOŞ), had a twofold objective: (i) to ascertain the latest obstacles to the conclusion of a comprehensive agreement with Canada and the solutions proposed, and (ii) to take stock of the negotiation of the TTIP and of the main challenges to be addressed.

Among the challenges associated with a future TTIP with the US, he highlighted the need for coordinated and disciplined communication to the public, given that this was a new type of agreement that included the issue of regulatory convergence. This was why he had decided to set up a group of Commission Members responsible for regularly monitoring the negotiations and for reporting certain matters to the Commission when warranted. He referred too to the proposed appointment by the Directorate-General for Trade of a head of communication whose task would be to anticipate public and media reaction and react rapidly to the information - and misinformation - that was sure to circulate about this agreement.

With regard to the CETA with Canada, he looked forward to hearing Commission Members' views on this draft agreement with a view to his forthcoming meeting with the Canadian Prime Minister, Stephen Harper, on the fringes of the G20 Summit at St Petersburg on 5-6 September. He hoped this meeting would be a decisive one. Although the agreement was nearing conclusion, nevertheless two stumbling blocks remained in the agricultural products sector, concerning beef and dairy products. He asked Mr DE GUCHT and Mr CIOLOŞ to present the state of play of the negotiations on these two points.

Mr. DE GUCHT began with an initial review of the newly-opened negotiations with the US on the trade and investment agreement and explained the first stages of these negotiations. He welcomed the favourable reaction of the Member States and the media to the launch of these negotiations, while pointing out the hurdles that would have to be overcome and the specific political context of the talks at European level, in particular the elections to the European Parliament in May 2014. He was also expecting lively debates in Parliament on the impact of the future agreement on subjects such as genetically modified organisms, intellectual property law and maintaining European social, environmental and health standards. It was therefore essential for the Commission, in its communication on the state of play of the negotiations, to confirm clearly that the guaranteed level of protection in European regulations would not be compromised. He stressed the importance, for all the Commission Members, of good communication on the negotiations and coordination within the Commission of the positions to be adopted in the meetings with the US partners.

The agreement with the US would go well beyond a traditional free trade agreement, since its aim was to provide a solid foundation for ongoing regulatory cooperation between the two partners based on 'ex-ante' consultation in certain areas and institutional mechanisms designed to enhance regulatory compatibility in the longer term. He even referred to the possibility of common regulatory bodies that would be assigned specific tasks.

He emphasised that in addition to the traditional aspects of free trade agreements, such as the abolition of customs duties, the major challenge to be addressed in these negotiations related to the approximation and convergence of technical regulations applied to products and services.

He pointed out the positive impact the TTIP would have on growth in Europe and its importance in contributing to the introduction of international norms and standards. This could relaunch certain multilateral negotiations and, more generally, be a game-changer in terms of world trade.

Mr DE GUCHT then turned to the agreement with Canada. The current state of play of the negotiations pointed to a highly encouraging overall result for the European Union. The Commission had held firm on the most sensitive issues, such as agriculture, and Canada had agreed to major concessions in this field. Negotiations were still under way on access to the market of certain agricultural products, namely beef and dairy products. While underlining the need for a balanced solution in these outstanding issues and in the treatment of agricultural products in general laid down by free trade agreements, he pointed out that the overall benefits that were emerging from the agreement amply offset the disadvantages and that it was in the Union's interest to conclude these negotiations as soon as possible.

Mr CIOLOȘ then took the floor. He felt that it was important, throughout the trade negotiations, to bear in mind the Union's numerous offensive interests in the agricultural sector, as evidenced by the key position of its world exports of agri-food products, which had recently been strengthened by the growing demand for high-quality products from several European countries. With regard to the degree of openness of European agricultural markets and the objectives of the Common Agriculture Policy (CAP) as laid down in the Treaty on the Functioning of the European Union, he emphasised the need to secure as balanced a result as possible from the negotiations in this sector. He was determined to ensure that a minimum level of reciprocity was respected so as to achieve a fair balance between the maximum concessions granted and those obtained. This principle should be applied to Canadian beef exports and European dairy product exports.

With regard to the progress envisaged by the draft agreement with Canada as regards taking account of European geographical indications, he praised the work done by Mr DE GUCHT and his departments while calling for as much synergy as possible between the approach taken within the Union and that adopted with non-member countries. Mr CIOLOȘ therefore advocated ensuring recognition of grandfathering rights for certain geographical indications in the dairy sector; at present there was no guarantee that these indications would be taken into account.

More generally, he highlighted the precedent that might be created by any position adopted in the framework of the CETA for the negotiation of future trade agreements by the Union. He also felt that securing a balanced result, even in the most sensitive sectors, was essential not only to enable ownership of the agreement by all the EU stakeholders at both political and sectoral level, but also to establish the Union's credibility as a rigorous trade negotiator. He thanked Mr DE GUCHT for the close coordination that had characterised the preparation of the negotiations, which he trusted would continue, in particular in the sensitive area of agriculture, during the discussions concerning the TTIP. Mr CIOLOȘ wound up by pointing out the need to take full advantage of the leverage offered by these negotiations in order to make headway on regulatory convergence, which was a key issue for a number of sectors.

During a detailed discussion, the following main points were raised:

General aspects

– widespread support for the ambitious objectives of the negotiations with Canada and the United States which, if successful, would entail considerable trade benefits on an unprecedented scale for the Union and would boost its growth, with external demand taking over from recession-weakened internal demand;

– at the same time, consideration of their geopolitical significance, particularly as regards the Union's trade relations with the new emerging economies, which might also benefit from new opportunities in terms of the opening up of markets and economies in the event of a successful conclusion of the negotiations; similarly, mention of the ripple effect the negotiations might have on an international level;

– the Commission's broad support for Mr DE GUCHT's approach, his resolve to ensure transparency and the strategy he had defined, and also for the idea that he should have some room for manoeuvre rather than a mandate set in stone;

- nevertheless, a warning against the risk of granting excessive concessions in some sectors and, consequently, an invitation to seek a consensus to ensure the success of the negotiations conducted by the Commission;

- mention of the scrupulous attention that should be paid to the communication surrounding the negotiations, with respect to citizens, the parties involved and consumers; a suggestion to use these two examples of trade agreements to highlight the added value of the European dimension;

- a recommendation to pursue a balanced, fair but firm negotiating approach, ensuring that each party gained from the agreement even where this meant bilateral concessions, and to take into account the interinstitutional political background against which the two agreements would be approved;

- a comment concerning the wide range of areas covered by the negotiations and the implications that the negotiation of the CETA agreement would have for that of the TTIP agreement; and hence a call to weigh carefully the consequences of concessions and commitments made in one set of negotiations as they might be used as a model for the other;

- the concern to make significant progress, in particular in the vital area of convergence of regulations with both partners;

The negotiation of the Comprehensive Economic and Trade Agreement (CETA) with Canada

- questions about the commitments accepted and agreed; a recommendation to pursue efforts to take full advantage of the potential margin for manoeuvre available in order to try and obtain some more concessions from Canada, in particular as regards access to its market for certain agricultural products, and, where necessary, to limit some of the Canadian demands;

– a call by others for the agreement to be concluded as soon as possible given its potential spin-offs; mention of the support also expressed by European business for the prompt conclusion of the agreement;

– a recommendation that the draft agreement should be examined for its impact on European competitiveness and that the most recent data available should be obtained in order to better assess the effects the agreement would have on the European economy;

– welcoming of Canada's recognition of geographical indications in the draft agreement; emphasis, however, on the extremely sensitive issue of the five geographical indications still pending for dairy products and the need to continue seeking a compromise on the level of protection that Canada was willing to grant them; the need to strike the right balance, and a suggestion to insist on including a grandfather clause;

– in relation to access to public procurement, in particular in the area of urban public transport, a question of principle raised by some about the protectionist condition regarding 'local content' or 'local value' applied by some Canadian provincial authorities; a warning against such a concession which might set a precedent that would be damaging for the Union; a proposal to make this clause temporary in order to stave off this possibility;

– a suggestion that the Commission should insist on including an anti-fraud clause in the agreement which would create a positive precedent for the future;

– a recommendation about reassuring European citizens in terms of the health and safety rules covering imported goods and services, and handling certain agricultural trade-related matters with great care because they could become controversial issues in the Union;

The negotiation of the Transatlantic Trade and Investment Partnership (TTIP)

– the need to put into perspective the economically huge scope of such an agreement for both parties and its politically sensitive nature for the Union; emphasis on the fact that the outcome of these lengthy and doubtless tough negotiations should be fair and balanced;

– a recommendation about taking into account the economic and social imbalances within the Union so that each Member State could draw some benefit from such an agreement;

– the need for concerted, targeted communication concerning the negotiations;

– widespread support for the move to set up an ad hoc group of Commissioners to assist Mr DE GUCHT and ensure ongoing monitoring of the progress in the negotiations, reporting to the Commission when necessary; the need for close coordination between their *cabinets* and the Directorates-General concerned to ensure the work proceeded smoothly;

– a comment concerning the still major obstacles to be eliminated in trade with the United States, the removal of which would greatly benefit European citizens and companies, for instance the restrictions on property rights imposed on non-American companies in the telecommunications sector; by the same token, an indication that progress in the customs sphere was still possible;

– a warning about the fact that an agreement on opening up financial markets would be impossible without agreement on the convergence of regulations, in particular to ensure system interoperability;

– a suggestion that labour market-related aspects should be included in the negotiations and that regulatory convergence efforts should cover industrial relations;

– questions about the investor-state dispute settlement mechanism, in particular in the context of environmental protection, which enables a private company to prosecute a foreign government in a specific court.

Mr DE GUCHT responded to these comments by returning firstly to the agreement between the EU and the United States and to regulatory convergence. He explained that some of the questions relating to this would be addressed directly in the agreement itself. However, he reiterated the importance of reaching a dynamic agreement which would enable both parties take certain matters further once it had been concluded. On a more general level he noted the geostrategic significance of the agreement, which gave the parties a unique opportunity to shape trade rules at a global level and thereby to influence third countries. He reiterated the economic benefits that Europe would stand to gain, highlighting that it already had a significant trade surplus that would only increase with extended market access. He stressed that contrary to popular belief in European public opinion, this surplus was due to Europe's competitiveness. Referring to the weakness of European domestic demand and the differences between Member States, he highlighted the fact that there had been a boost in exports in those Member States that were worst hit by the recession. He suggested that these positive aspects be mentioned in the Commission's communication on the agreement and added that the EU had never lost out under trade agreements concluded in the past – on the contrary, each agreement had contributed to creating these surpluses.

On some of the more specific components of the agreement between the EU and Canada, Mr DE GUCHT welcomed the successful outcome of the negotiations on geographical indications in particular, in view of Europe's difficulties in getting third countries to accept them. He expressed his desire to find a balanced solution for certain dairy products with a geographical indication as well as for the issue of beef quotas, which still caused friction, while stressing the need to preserve the overall outcome of the negotiations. He warned against European demands that could undermine this equilibrium and questioned the appropriateness of a clause for the recognition of acquired rights with regard to certain dairy products. He doubted that this clause would meet expectations and added that the key issue to keep in mind was market access for these dairy products, which would be strengthened by the agreement. He also confirmed that, prior to its approval by the European Parliament and the Council, the agreement will be subject to an evaluation of its impact on European competitiveness.

Lastly, he addressed the relationship between the two agreements by recognising that some of the results obtained with Canada could certainly serve as precedents in the discussions with the United States, but that the transatlantic agreement would have to find its own equilibrium.

Mr CIOLOȘ added to these explanations by stressing the need to examine closely the potential impact of any particular position taken in the agricultural sector, referring in particular to the equilibrium that must be respected on each product to avoid the economic sectors concerned from suffering potentially damaging consequences. Regarding the issue of the possible recognition of acquired rights for certain geographical indications, he said that within the EU the products in question enjoyed a solid reputation, both symbolic and economic, and believed that this approach would constitute a fair compromise while strengthening the EU's consistent position on this subject.

The PRESIDENT brought the discussion to a close by drawing a first general conclusion, pointing out that the European Union was a heavyweight on the world trade scene, the world leader in fact, that it had a higher trade surplus than all its partners, including in the Member States benefiting from a European assistance programme, and that it needed to turn to external demand to find sources of growth that had been weakened within the EU by the recent recession.

Regarding the TTIP with the United States, he confirmed that these were ground-breaking and very important negotiations that the EU intended to conclude successfully and that would lead to the largest bilateral trade agreement of all time. He therefore wished for the Commissioners to be informed of how the negotiations were being handled, under the leadership of Mr DE GUCHT, the EU's chief negotiator. He supported Mr DE GUCHT's suggestion of steering the negotiations clear of sensational debates and focusing initially on chapters that were likely to trigger a positive momentum.

Regarding the CETA Agreement with Canada, he expressed his confidence in Mr DE GUCHT's judgment and emphasised that the negotiations had entered the final stage. He said that he was prepared to intervene in the margins of the G20 summit and to do his best to obtain, as far as possible, some final concessions from the Canadian authorities, after consulting Mr DE GUCHT and with the support of the Commissioners. Although he warned against unrealistic expectations, noting that no agreement could ever be perfect, he nonetheless stressed that such an agreement must be balanced and benefit both parties. He finished by stating that any draft agreement would be formally submitted to the Commissioners.

The Commission took note of these conclusions and information and of the notes distributed as INFO(2013) 78 and INFO(2013) 77.

10.2. LATEST DEVELOPMENTS CONCERNING THE EASTERN PARTNERSHIP

The PRESIDENT asked Mr FÜLE to report to the Commissioners on recent developments concerning the Eastern partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine and the European Union) following certain initiatives taken by Russia with regard to these countries. He felt that it would be useful to review this matter with a view to the Eastern Partnership Summit to be held in Vilnius on 28-29 November.

The Commission’s other discussions on this item are recorded in the special minutes.

10.3. LATEST DEVELOPMENTS CONCERNING THE SITUATION IN SYRIA

Baroness ASHTON reported on the latest developments concerning the situation in Syria and, in particular, the ongoing talks relating, on the one hand, to the chemical weapons attack on civilians belonging to the opposition to the Syrian regime carried out on 21 August 2013 and, on the other, on the possibility of Western military intervention.

She turned first to the various consultations under way at the national and international level – the approval sought by the US President from Congress, which was to meet on 9 September 2013, and the debates being held in the United States and in various Member States on the acceptability of military action against Syria, an option which had yet to gain majority support among the general public.

She then brought up the recent request by the United Nations (UN), as transmitted by its Secretary-General, Mr Ban Ki-moon, asking for additional time to enable the UN inspectors to complete their on-site investigations into the circumstances in which chemical weapons were used. On the subject of the UN investigation, Baroness ASHTON noted the stance adopted by Russia, which was demanding hard evidence of the responsibility of the Syrian Government as a precondition for any decision by the UN Security Council authorising military action. She pointed out that there were major differences within the Arab League on the issue. She also reported on the numerous contacts she had had with the various parties concerned.

She subsequently turned to the role of the European Union in the Syrian crisis, noting that Member States viewed the chemical attack as manifestly unacceptable, and sought a response within the framework of the UN. In her view, there was an urgent need to ensure that this process was followed through. Having met a former leader of the opposition to the government of Mr Bashar al-Assad the day before, she informed the Commission that the

Syrian people were calling on the European Union to play its part in finding a solution to the current crisis. She concluded by pointing out that work was under way on a possible European diplomatic initiative, which could be taken in the next few days.

A brief discussion followed, during which the Commission expressed support for any contribution which the European Union could make to resolving the crisis, doubts as to the degree of certainty to be expected from the outcome of the investigation by the UN inspectors into responsibility for the use of toxic gas against Syrian civilians, and condemnation of the violation by the Syrian regime of the principles of international humanitarian law in armed conflicts, principles which, in view of its history, the European Union had good reason to reiterate forcefully.

The PRESIDENT brought the discussion to an end by confirming that, at the request of the Russian President, Mr Vladimir Putin, who would be hosting the Saint Petersburg summit on 5-6 September, the UN Secretary-General would raise the Syrian issue, which had been included on the agenda for the G20 talks. He stressed the importance of European Union Member States adopting as coherent a stance as possible on five key areas, namely, (i) unqualified condemnation of the chemical attack, (ii) the need for a strong response from the international community, (iii) recognition of the central role played by the UN, (iv) the need for a political approach, and (v) the humanitarian emergency, with over two million Syrian refugees in neighbouring countries. He noted, in this respect, that Europe was the leading humanitarian aid donor.

While acknowledging the highly sensitive nature of the issue, made more complex and unstable by its political dimension, he emphasised the consensus among European Union Member States for clearly asserting that a red line in international law had been crossed, even if the possibility of military intervention was still open to debate.

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 12.35.