



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2015) 2128 final

- English language version of the French text which is authentic -

Strasbourg, 9 June 2015

TEXTE EN

MINUTES

of the 2128th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 27 May 2015

(morning)

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Single sitting: Wednesday 27 May 2015 (morning)

The sitting opened at 9.16 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	Chair	
Mr TIMMERMANS	First Vice-President	
Ms MOGHERINI	High Representative / Vice-President	
Ms GEORGIEVA	Vice-President	Items 1 to 9 (in part)
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	Items 1 to 15
Mr KATAINEN	Vice-President	Items 9 (in part) to 16
Mr OETTINGER	Member	Items 9 to 16
Mr HAHN	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSSEN	Member	Items 7/8 (in part) to 16
Mr MOSCOVICI	Member	
Mr STYLIANIDES	Member	
Mr HOGAN	Member	
Lord HILL	Member	
Ms BULC	Member	
Ms BIENKOWSKA	Member	
Ms JOUROVÁ	Member	Items 9 to 16
Mr NAVRACSICS	Member	
Ms CREȚU	Member	
Ms VESTAGER	Member	
Mr MOEDAS	Member	

Absent:

Mr ANSIP

Vice-President

Ms MALMSTRÖM

Member

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*- English language version of the French text which is authentic -*The following sat in to represent absent Members of the Commission:

Mr CEBALLOS BARÓN	Deputy Chef de cabinet to Ms MALMSTRÖM
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The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PESONEN	Acting Director-General, DG Communication	
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Ms METTLER	Head of the European Political Strategy Centre	
Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	
Ms KRAMER	Director of Coordination and Administration in the PRESIDENT's Office	Items 7 and 8
Mr THOLONIAT	A member of the PRESIDENT's staff	Items 1 to 9
Mr ZADRA	A member of the PRESIDENT's staff	Items 10 to 14
Mr KASEL	A member of the PRESIDENT's staff	Item 15
Mr SMULDERS	Chef de cabinet to Mr TIMMERMANS	Items 10 to 14
Mr MANSERVISI	Chef de cabinet to Ms MOGHERINI	Items 1 to 14
Ms HRISTCHEVA	Chef de cabinet to Ms GEORGIEVA	Items 9 (in part) to 16
Mr ILIEV	A member of Ms GEORGIEVA's staff	Items 1 to 9 (in part)
Ms LEIB	A member of Mr DOMBROVSKIS' staff	Items 1 to 15
Mr BANNERMAN	Expert in Mr KATAINEN's Office	Items 1 to 9

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Ms SCHMITT	Chef de cabinet to Mr AVRAMOPOULOS	Items 9 (in part) to 14
Ms SCOPPIO	Adviser in Mr MOSCOVICI's Office	Items 9 to 15
Ms ANDREEVA	Commission Spokesperson's Service	
Mr RUETE	Director-General, DG Migration and Home Affairs	Items 9 (in part) to 14
Mr ZOUREK	Director-General, DG Taxation and Customs Union	Item 15

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

1. AGENDAS

(OJ(2015) 2128/FINAL; SEC (2015) 230/2)

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(2015) 2128)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Friday 22 May.

3. APPROVAL OF THE MINUTES AND SPECIAL MINUTES OF THE 2126TH AND 2127TH MEETINGS OF THE COMMISSION (13 AND 19 MAY)

(PV(2015) 2126; PV(2015) 2126, PART II; PV(2015) 2127; PV(2015) 2127, PART II)

The Commission approved the minutes of its 2126th meeting, and decided to hold over for one week approval of the minutes of its 2127th meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2015) 46)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Thursday 21 May (RCC(2015) 46).

It paid particular attention to the following points.

4.1. HORIZONTAL ISSUES

- i) European Fund for Strategic Investments and amendment of Regulations (EU) 1291/2013 and (EU) 1316/2013 (Regulation) – FERNANDES / BULLMANN report – 2015/0009 (COD)**

The Commission approved the line set out in SI(2015) 207.

4.2. EARLY WARNING

- ii) Amendment of Regulation (EU, EURATOM) 966/2012 on the financial rules applicable to the general budget of the Union (Regulation) – GRÄSSLE report – 2014/0180 (COD)**

The Commission approved the line set out in SI(2015) 199.

- iii) Payment plan 2015-2016**

The Commission took note of the information in SI(2015) 203 and /2.

4.3. LEGISLATIVE MATTERS

iv) Trilogue meetings

(point 3.1 of the IRG record)

- Measures to ensure a high common level of network and information security across the Union (Directive) – SCHWAB report – 2013/0027 (COD)

The Commission approved the line set out in SI(2015) 167 and /2.

- Fourth Railway Package (technical pillar) – European Union Agency for Railways and repeal of Regulation (EC) 81/2004 (Regulation) – ZILE report – 2013/0014 (COD) / Interoperability of the rail system within the European Union (Directive – recast) – BILBAO BARANDICA report – 2013/0015 (COD) / Railway safety (Directive – recast) – CRAMER report – 2013/0016 (COD)

The Commission approved the line set out in SI(2015) 188/2.

v) Council dossiers

(point 3.3 of the IRG record)

- Amendment to Council Framework Decision 2004/757/JHA laying down minimum provisions on the constituent elements of criminal acts and penalties in the field of illicit drug trafficking, as regards the definition of drug (Directive) – JIMÉNEZ-BECERRIL BARRIO report – 2013/0304 (COD) / New psychoactive substances (Regulation) – BONI report – 2013/0305 (COD)

The Commission approved the line set out in SI(2015) 189/2.

- Technical requirements for inland waterway vessels and repeal of Directive 2006/87/EC of the European Parliament and of the Council (Directive) – WORTMANN-KOOL report – 2013/0302 (COD)

The Commission approved the line set out in SI(2015) 197/2.

4.4. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

vi) Programming of Council business

(SI(2015) 208)

The Commission took note of the information in SI(2015) 208 on the Council meetings between 28 May and 11 June.

vii) Non-legislative dossiers

(point 4.1 of the IRG record)

- Declaration of acceptance by the Member States, in the interest of the European Union, of the accession of Andorra to the 1980 Hague Convention on the Civil Aspects of International Child Abduction (Council Decision) / Declaration of acceptance by the Member States, in the interest of the European Union, of the accession of Singapore to the 1980 Hague Convention on the Civil Aspects of International Child Abduction (Council Decision) – HAUTALA reports – 2011/0443 (NLE) / 2011/0450 (NLE)

The Commission approved the line set out in SI(2015) 191 and /2.

- Signature on behalf of the European Union, and provisional application of the Strategic Partnership Agreement between the European Union, and its Member States, on the one side, and Canada on the other (Council Decision) – 2015/0073 (NLE) – Declaration by the European Commission related to Geographical Indications and Article 13 of the Agreement

The Commission approved the line set out in SI(2015) 193/2.

- Action Plan – Proposed Lines of Action of the EU Citizen Security Strategy in Central America and the Caribbean

The Commission took note of the information in SI(2015) 194.

- Follow-up of the Foreign Affairs Council Conclusions of 9 February 2015
- Counter Terrorism

The Commission took note of the information in SI(2015) 201/2.

**viii) Preparations for the Foreign Affairs Council – Development session
(Brussels, 26 May)
(point 4.2.1 of the record)**

- Issues paper 'Migration and Development'

The Commission took note of the information in SI(2015) 198.

4.5. RELATIONS WITH PARLIAMENT

**ix) Action taken on non-legislative resolutions adopted by Parliament at
its February I part-session
(point 5.6.1 of the IRG record)**

The Commission approved document SP(2015) 233 on the action taken on the non-legislative resolutions adopted by Parliament at its February I part-session and decided to notify Parliament of all the action taken on the non-legislative resolutions adopted at the February I part-session, including on the resolution on country-of-origin labelling for meat in processed food, which had already been set out in document SP(2015) 135 and approved by the Commission on 6 May.

x) Results of the May I part-session of Parliament

(SP(2015) 323; SP(2015) 324)

The Commission took note of the information in SP(2015) 323 and SP(2015) 324 on the proceedings of the part-session of Parliament held in Strasbourg from 18 to 21 May.

xi) Action to be taken on Parliament's legislative resolutions and other resolutions of a legal nature

(SP(2015) 338)

The Commission took note of document SP(2015) 338, drawn up following Parliament's May I part-session.

4.6. RELATIONS WITH NATIONAL PARLIAMENTS, THE OTHER INSTITUTIONS AND BODIES, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

xii) Relations with the Ombudsman – The European Ombudsman's own-initiative inquiry OI/6/2014/NF concerning the composition of Commission expert groups

(point 6.2.1 of the IRG record)

The Commission approved the line set out in SP(2015) 309 and /2 and took note of the draft reply in its annex.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2015) 231 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 18 and 22 May.

5.2. EMPOWERMENT

(SEC(2015) 232 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 18 and 22 May.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2015) 233 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 18 and 22 May, as archived in Decide.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2015) 234 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 26 and 29 May and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on 22 May.

5.5. AD HOC EMPOWERMENT CONCERNING THE DRAFT COMMISSION REGULATION PROHIBITING BLUEFIN TUNA FISHING ACTIVITIES IN THE ATLANTIC OCEAN EAST OF LONGITUDE 45° W AND IN THE MEDITERRANEAN SEA FOR [GEAR] FLYING THE FLAG OF OR REGISTERED IN [MEMBER STATE]

(C(2015) 3547)

The Commission decided to empower Mr VELLA, the Commissioner in charge of the Environment, Maritime Affairs and Fisheries, in agreement with the PRESIDENT, to determine, for each case, the Member State(s) and the gear(s) concerned, the definitive date(s) of entry into force of the respective closure(s) of bluefin tuna fishing on the basis of the available information indicating definitive trends in quota consumption and Member States' actions in response to these, and consequently to adopt the Commission Implementing Regulation prohibiting bluefin tuna fishing at that date for purse seiners and/or traps and/or longliners for certain Member States. This empowerment may be exercised by way of the adoption of one or more successive regulations, as appropriate. The definitive date(s) of entry into force of the respective closure(s) may not be before the date communicated to the Member States by way of prior warning by fax.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2015) 235/2)

ADMINISTRATIVE MATTERS

(PERS(2015) 46/2)

6.1. DG HUMAN RESOURCES AND SECURITY – APPROVAL OF THE LIST OF CANDIDATES FOR THE POST OF HEAD OF EUROPEAN UNION DELEGATION IN INDONESIA

(PERS(2015) 47)

The Commission took note of the information in point 1 of PERS(2015) 46/2 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, decided to approve the list of candidates for the AD13-14/AD13 post of Head of the EU Delegation in Indonesia in PERS(2015) 47, which would serve as a basis for the competent authority of the European External Action Service to make a final appointment.

This decision would take effect immediately.

6.2. DG JUSTICE AND CONSUMERS – LIST OF CANDIDATES FOR THE AD14 POST OF DIRECTOR OF THE EUROPEAN UNION AGENCY FOR FUNDAMENTAL RIGHTS (FRA)

(PERS(2015) 139 TO /4)

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Ms JOUROVÁ and Mr TIMMERMANS, the Commission decided:

- to approve the list before it, made up of three candidates in the order proposed by the Commission, set out in point 2 in PERS(2015) 46/2 to fill

the post of Director of the European Union Agency for Fundamental Rights (FRA) and to consider this list as the Commission proposal;

- to ask Ms JOUROVÁ, the Member of the Commission responsible, to communicate this decision and the list of candidates to the Management Board of the European Union Agency for Fundamental Rights (FRA).

These decisions would take effect immediately.

6.3. DG MOBILITY AND TRANSPORT – TERMINATION OF THE SELECTION PROCEDURE FOR THE POST OF AD14/15 DIRECTOR (PERS(2015) 7 AND /2)

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, and after consulting Ms BULC, Mr KATAINEN and Mr ŠEFČOVIČ, the Commission decided to terminate internal selection procedure COM/2015/4 for the post of Director of the ‘Policy coordination and security’ Directorate in DG Mobility and Transport, without making an appointment.

This decision would take effect immediately.

6.4. DG HUMAN RESOURCES AND SECURITY – INTERIM UPDATE IN 2015 OF THE WEIGHTINGS APPLICABLE TO THE REMUNERATION AND PENSIONS OF OFFICIALS AND OTHER SERVANTS OF THE EUROPEAN UNION (SEC(2015) 239; SEC(2015) 241)

The Commission took note of the information in SEC(2015) 239 and SEC(2015) 241.

**7. STATEMENT OF ESTIMATES OF THE COMMISSION FOR 2016 –
PREPARATION OF THE 2016 DRAFT GENERAL BUDGET OF THE
EUROPEAN UNION**

**(SEC(2015) 240 TO /3, DOCUMENTS I, II, III, IV, V AND V BIS;
RCC(2015) 45)**

**8. PROPOSAL FOR A DECISION OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL ON THE MOBILISATION OF THE EU SOLIDARITY
FUND TO PROVIDE FOR PAYMENT OF ADVANCES IN THE 2016
BUDGET**

(COM(2015) 281 AND /2; RCC(2015) 45)

Ms GEORGIEVA presented the statement of estimates for the 2016 financial year, which would lead to the third draft budget drawn up under the Multiannual Financial Framework for 2014-2020 and the first draft budget put forward by the present Commission.

She pointed out that this statement of estimates differed from its predecessors for three reasons: (i) it reflected the ten political priorities of the present Commission in favour of jobs, growth, fairness and democratic change, (ii) it implemented the agreement concluded the previous week on the plan to absorb outstanding payments from the 2007-2013 Multiannual Financial Framework, and (iii) it stepped up action by the European Union both internally and in the world at large.

She summarised the three main goals of the proposed budget: first of all to support the economic recovery in Europe, with over half of spending assigned directly to boosting jobs, growth and investment; second, to respond to recent international developments, in particular migratory pressure and crises in neighbouring countries, by strengthening the EU's global role; and lastly, to continue the policy of sound and efficient administrative management, with a nominal freeze in real terms on

administrative spending and a 1% reduction in Commission staff.

Ms GEORGIEVA reported that the commitment appropriations for 2016 represented 1.04% of the Union's gross national income (GNI), equivalent to €153.5 billion, an increase of 2.5% compared with 2015, after neutralising the impact of the reprogramming in 2015 and 2016 of funds under shared management. On the payments side, she was pleased to report that the draft budget for 2016 allowed a return to normality and proposed a level of resources that was adequate to phase out the backlog. In all, the payment appropriations came to €143.5 billion, an increase of 1.6% on 2015.

Concluding her presentation of the statement of estimates for 2016, she noted that discussions with Parliament and the Council in this field were always intense, but the Commission was gradually acquiring a reputation for sound management, while demonstrating its ability to tailor the budget to political priorities, as borne out by the 28% increase from 2015 to 2016 in the payment appropriations earmarked for the EU's external action and the 36% increase in resources for managing migratory flows.

Ms GEORGIEVA also reported on progress in the negotiations with Parliament on the adoption of the legislation establishing the European Fund for Strategic Investments (EFSI), which should be concluded soon. She had been cooperating closely with Mr KATAINEN, Ms BULC and Mr MOEDAS on this matter.

She explained that agreement had still to be reached with Parliament on the governance of the Fund, the methods of assessing how projects financed by the EFSI tied in with existing measures, the definition of criteria for selecting projects, the investment guidelines, and the creation of a scoreboard to gauge the performance of EFSI-funded projects. She said that the financing of the EFSI was the most discussed topic in the negotiations, in particular the question of redeploying the budgets allocated to the Connecting Europe Facility and the Horizon 2020 research programme. Parliament continued to argue in favour of

drawing on the available budgetary margins. She was hopeful that the discussions could be brought to a positive conclusion at the long negotiating session scheduled for that evening.

She ended by thanking the Commission Members associated with this dossier, their private offices and the Commission departments for their close cooperation throughout the legislative procedure.

Following this presentation, the Commission:

- adopted the statement of estimates as set out in documents I, II, III, IV, V and V *bis*, distributed as SEC(2015) 240/3, as a basis for drawing up the draft general budget of the European Union for the 2016 financial year;
- authorised Ms GEORGIEVA, Member of the Commission with responsibility for the budget and human resources, to send documents I, II, III and IV to the European Parliament and the Council, for information purposes;
- empowered Ms GEORGIEVA, Member of the Commission with responsibility for the budget and human resources, in agreement with the PRESIDENT, to finalise documents I, II, III, IV, V and V *bis* and to convert documents I, II, III and IV into the corresponding volumes of the draft general budget for the 2016 financial year, and to send them to Parliament and the Council and, for information purposes, to the national parliaments;
- empowered Ms GEORGIEVA, Member of the Commission with responsibility for the budget and human resources, in agreement with the PRESIDENT and in accordance with Article 314(1) of the Treaty on the Functioning of the European Union, to consolidate the draft general budget for the 2016 financial year on the basis of the latest information supplied by the other institutions concerning their own statements of estimates, which might contain different estimates;

- adopted the proposal for a Decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund in COM(2015) 281/2, for transmission to Parliament and the Council, and, for information purposes, to the national parliaments.

In the context of preparing the general budget for 2016, the Commission had just allocated a number of posts from the reserve in the form of a complementary allocation for 2015, in accordance with document *V bis*, distributed as SEC(2015) 240/3. Nevertheless, there would also have to be an increase in human resources in a small number of other Directorates-General. The Commission now agreed that their needs would be met following a review of synergies and efficiency gains, to be conducted over the summer, which would allow a number of posts to be released for redeployment. The Commission noted that Ms GEORGIEVA, in agreement with the PRESIDENT, would make proposals to this end following the review exercise.

9. OTHER BUSINESS

ECONOMIC SITUATION IN GREECE

The Commission discussed progress in the discussions aimed at finding a response to the economic situation in Greece.

- 10. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – EU ACTION PLAN AGAINST MIGRANT SMUGGLING (2015-2020)
(COM(2015) 285 AND /2)**
- 11. COMMISSION RECOMMENDATION ON A EUROPEAN RESETTLEMENT SCHEME
(C(2015) 3560 AND /2)**
- 12. PROPOSAL FOR A COUNCIL DECISION ESTABLISHING PROVISIONAL MEASURES IN THE AREA OF INTERNATIONAL PROTECTION FOR THE BENEFIT OF ITALY AND GREECE
(COM(2015) 286 TO /3)**
- 13. PROPOSAL FOR A DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE MOBILISATION OF THE FLEXIBILITY INSTRUMENT FOR THE PROVISIONAL MEASURES IN THE AREA OF INTERNATIONAL PROTECTION FOR THE BENEFIT OF ITALY AND GREECE
(COM(2015) 238)**
- 14. IMPLEMENTATION OF THE EURODAC REGULATION AS REGARDS THE OBLIGATION TO TAKE FINGERPRINTS
(SWD(2015) 150 AND /2)**

Mr AVRAMOPOULOS presented the European Union Action Plan against migrant smuggling for the period 2015 to 2020 and the first set of practical measures

implementing the European Agenda on Migration adopted by the Commission two weeks earlier on 13 May, which set out a strategy to deal with migratory pressure.

He noted that this Agenda had prompted various reactions in the press, in the Member States and in the European Parliament but that, on the whole, it had been favourably received and there was widespread support for its holistic and comprehensive approach. The main criticisms had focused on the Commission's proposals on the resettlement and relocation of asylum seekers.

What the Commission was proposing was a European resettlement programme covering 20 000 people recognised as being in need of international protection, and an emergency mechanism for relocating 40 000 Syrians and Eritreans from Italy and Greece. This was the first time that the emergency mechanism provided for by Article 78(3) of the Treaty on the Functioning of the European Union would be triggered.

Mr AVRAMOPOULOS drew the Commission's attention to the fact that the final version of the proposal establishing provisional measures in the area of international protection for the benefit of Italy and Greece comprised an amendment to Article 12(3) stating that the relocation arrangements would apply to applicants having arrived on the territory of these two Member States from 15 April 2015 onwards. He pointed out that Italy had had to cope with the arrival of a huge number of migrants during the weekend of 17 and 18 April, which had led to the extraordinary European Council meeting on 23 April and the adoption of conclusions which had been used as a basis for the Commission's proposals. In his view, the date of 15 April was, therefore, fully justified as a starting point for the implementation of the relocation measures.

He recalled that Malta had found itself in a similar situation to Italy and Greece in the past and had been given European support, albeit less structured. Having drawn lessons from that experience, the Commission was now proposing these provisional measures involving an emergency mechanism to help the Member States facing a

sudden influx of migrants.

Turning to the reactions aroused by the European Agenda on Migration, Mr AVRAMOPOULOS wished to clear up a number of misunderstandings, pointing out in particular that the Commission was not suggesting the relocation of illegal immigrants or laying down the number of people to whom refugee status was to be granted.

Nevertheless, migration was one of the most controversial issues in national political debates. Although the Commission proposals were quite justified and those opposing them had no viable alternative to suggest, he acknowledged that it would be a good idea to help the Member States explain these proposals to the general public.

He therefore proposed that sound arguments should be developed on the various components of the European Agenda on Migration. He suggested emphasising in particular that this strategy was not simply aimed at coping with the migration pressure in the Mediterranean or at redistributing asylum-seekers among the Member States, but that it should be regarded as a comprehensive and balanced package comprising concrete measures such as those proposed that day to make the EU's migration policy more effective.

Referring to the action plan to combat migrant smuggling, Mr AVRAMOPOULOS pointed out that this went beyond the military action envisaged under the Common Security and Defence Policy (CSDP) and comprised a series of measures intended to underpin prevention, information-gathering, and investigations and prosecutions of smugglers, not to mention cooperation with the countries of origin and transit of migrants. These measures constituted a declaration of war by the European Union on migrant traffickers, a message that had been welcomed by the general public in Europe.

In addition, one of the other priorities of the Commission was the consistent application of the Common European Asylum System, which justified the adoption

of guidelines to get Member States to gradually introduce the same obligations regarding digital fingerprinting.

The European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (Frontex) had, the evening before, signed its new operational plan for the joint Triton operation in order to extend its area of intervention and involve additional planes, ships and experts in saving human lives.

Lastly, he referred to the launching of consultations on the Blue Card Directive aimed at developing a new EU policy on legal immigration, thereby allowing Europe to attract the skills it needed.

Pointing out that he had also instructed his department to develop the concept of hotspots rapidly so as to ensure more systematic enforcement of the repatriation of illegal migrants, Mr AVRAMOPOULOS emphasised the obligation to send back to the country of origin all those who did not have the right to remain in the EU.

Ending his presentation, Mr AVRAMOPOULOS considered that, in order to convince the general public in the Member States of the merits of its proposals, the Commission must explain that it intended to tackle the migration question on every front.

Mr TIMMERMANS, too, focused on the need to highlight all the components of the proposed approach, including the implementation of an effective repatriation policy. As for the relocation of refugees arriving in Greece and Italy, the aim of which was to apply in practice the principle of solidarity, a key element of European integration, he underlined how necessary it was for these two Member States to conduct strict checks on the migrants arriving on their territories and to systematically return illegal migrants to their countries of origin.

Ms MOGHERINI returned to the idea of hotspots, which would make it possible to assemble migrants in certain areas in the countries of origin and transit. A hotspot

had already been set up in Niger, but it was proving to be very costly and was not alleviating the migration pressure in that country. Moreover, it was not possible to keep migrants there without giving them some specific indications as to the continuation of their journey.

More broadly, she felt that the debates generated by the European Agenda on Migration would continue to prove tough, that the Commission would necessarily be exposed to criticism and that, consequently, a positive approach should be taken to clarifying the main aspects of the proposed measures, while underlining very clearly that the relocation and resettlement mechanisms concerned only asylum-seekers and not, in any case, economic migrants.

Mr AVRAMOPOULOS felt that, with the proposals tabled that day, the Commission was sending a strong message, taking the initiative in this complex matter that it could not defend without laying itself open politically. He felt that only by doing this would the Member States understand the need for the proposed measures, which constituted the sole viable approach for ensuring better management of migration flows. He ended by saying that the Commission would monitor the return policy implemented by the Member States in the coming months.

The PRESIDENT wound up the item, noting the difference in views between the Commission and some Member States on migration issues, as well as the confused debates in certain Member States. He agreed with the view that European public opinion wanted a more effective return policy, but pointed out that no Member State was currently in a position to implement such a policy on a systematic basis.

He noted, moreover, that the Union was a single body, in which there should not be any dividing lines between original members and new Member States, or between the North and South or East and West. He had to admit, however, that unity within the Union on the issue of migration flows was lacking. He therefore asked the Members of the Commission to promote vigorously the approach put forward by the Commission.

Following these presentations, the Commission:

- approved the communication on the EU Action Plan against migrant smuggling in COM(2015) 285/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, and, for information, to the national parliaments;
- adopted in principle the recommendation on a European resettlement scheme set out in C(2015) 3560/2 and, pursuant to Article 13 of the Rules of Procedure, empowered Mr AVRAMOPOULOS, the Member of the Commission responsible for migration, home affairs and citizenship, to adopt formally, in agreement with the PRESIDENT, the recommendation in all the official languages of the Union as soon as the texts became available, for notification to the Member States;
- adopted the Proposal for a Council Decision establishing provisional measures in the area of international protection for the benefit of Italy and Greece in COM(2015) 286/3 for transmission to the European Parliament and the Council and, for information, to the European Economic and Social Committee, the Committee of Regions and the national parliaments;
- adopted the Proposal for a Decision of the European Parliament and of the Council on the mobilisation of the Flexibility Instrument for the provisional measures in the area of international protection for the benefit of Italy and Greece in COM(2015) 238 for transmission to Parliament and the Council and, for information, to the European Economic and Social Committee, the Committee of Regions and the national parliaments;
- took note of the staff working document on implementation of the Eurodac Regulation as regards the obligation to take fingerprints, distributed as SWD(2015) 150/2.

15. POLICY DEBATE – A FAIRER CORPORATE TAX SYSTEM IN THE EUROPEAN UNION

(SEC(2015) 238; RCC(2015) 44)

Mr DOMBROVSKIS opened the policy debate on drawing up, over the following weeks, an Action Plan aimed at establishing a fairer system of corporate taxation within the European Union, while emphasising both the importance of the issue for European public opinion and its link to the political guidelines established by the PRESIDENT. He highlighted the boost that a fairer and more effective system of corporate taxation would give to investment and growth within the Union as well as to the internal market, which would be made equitable.

He confirmed that this Action Plan would follow on from the proposal for a Directive on tax transparency adopted by the Commission on 18 March, which aimed to make the exchange of information on tax rulings between Member States compulsory. He welcomed the smooth progress of the interinstitutional negotiations which might be concluded before the end of the year.

However, he pointed out that the time had come to prepare the second stage, which consisted of defining fair and effective rules on corporate taxation within the context of the internal market. There was much to be said for making use of the current political momentum in favour of making cross-border companies shoulder their fair share of the tax burden and for reducing tax avoidance within the internal market, while adapting the implementation of the principles adopted at international level to the particular context of the Union's internal market. He therefore asked the Members of the Commission for their views on the principles which they believed should be kept, bearing in mind that such considerations had to be viewed within the broader context of the work under way in the Organisation for Economic Co-operation and Development (OECD) on the Base Erosion and Profit Shifting (BEPS) project.

He emphasised that the Commission had to take account of the major challenge represented by an ever more integrated, mobile and digitised European economy, on the one hand, and a corporate tax system based essentially on national schemes, on the other. In proposing a European framework aimed at ensuring fairer and more effective taxation of cross-border undertakings, he took the view that the Commission needed to be ambitious in order to address the challenge, but also pragmatic, since fiscal policy was subject to the unanimity rule in Council. However, he explained that the Commission was not considering a harmonisation of the fiscal policies of Member States or a harmonisation of tax rates, which remained within the competence of Member States.

Mr DOMBROVSKIS then turned to some of the leading measures envisaged in the future Action Plan. He dwelt, in particular, on the common consolidated corporate tax base (CCTB). It had not been possible to arrive at an agreement during the four years of negotiations between co-legislators since the Commission unveiled its proposal in 2011. He therefore suggested a new approach in two stages, with a first step consisting of making the common corporate tax base compulsory, and then proposing consolidation. This method, he said, would allow the interinstitutional negotiations on the measures provided for under the BEPS scheme to continue, in particular so as to ensure that corporate earnings were taxed in the country in which an undertaking actually carried out its business. He admitted, however, that a breakthrough would be needed in the talks not only at European level but at global level also, especially within the G20, for real progress to be made in this area.

Mr MOSCOVICI believed that the Action Plan under discussion laid the foundations for the new approach to corporate taxation which the Union needed in order to tackle abuse more effectively, ensure sustainable tax revenue and improve the business environment within the single market by adapting it to the realities of a globalised, digitalised and virtual economy. This was exactly what the OECD's BEPS project also set out to do at international level, but the Commission was proposing to go further than international non-binding guidelines because of the

unique characteristics of the single market.

He then focused on two key areas of the future Action Plan. He mentioned first the Commission's intention to relaunch the proposal for a Common Consolidated Corporate Tax Base (CCCTB), which would allow companies operating in more than one Member State to calculate their tax base using a single model. This would significantly simplify matters for businesses, and in particular SMEs, but would not affect rates of taxation, which were the prerogative of the Member States. With certain adjustments, the CCCTB could also prove to be a very effective tool to combat tax avoidance, promote the effective operation of the internal market and provide a solid basis for implementing BEPS measures within the Union.

He admitted that the proposal currently being examined by the Council was too ambitious to be adopted by the Member States at a single stroke, hence the idea of presenting it in several stages, postponing consolidation until agreement had been reached on the common tax base. The Commission also intended to make the CCCTB mandatory, at least for multinationals, which would maximise its impact on combating profit shifting. The Commission's aim was to present a new proposal within 18 months, while at the same time continuing the work on the international aspects of the tax base, on which a consensus had nearly been reached.

Mr MOSCOVICI then turned to a second fundamental issue requiring the Members' attention, namely how to ensure effective taxation within the single market. It was the case that some companies escaped taxation in the Union despite generating significant profits there, and it was essential to correct this unacceptable situation. The Action Plan did not set out a final solution, but it did offer Member States a sound basis on which to start the necessary discussions.

He wound up his presentation by stressing that taxation was a powerful tool for making the internal market more efficient and for increasing firms' competitiveness, both of which were goals of the current Commission. He firmly believed that the Commission had to act to end a situation in which companies exploited the lack of

coherence between Member States' tax systems, thereby weakening the internal market. At the same time, he did not want the Union to leave it to others to solve its specific problems.

During the discussion which followed, the Commission raised the following main points:

The approach outlined in the background note (question 1)

- broad support from the Members of the Commission for the clear and pragmatic approach proposed for the future Action Plan; confirmation of the validity of the overall objective of restoring a level playing field for businesses in Europe and responding to the European public's demand for fairness, given the budget cuts that had been made in recent years to deal with the crisis; a feeling that the approach proposed would strengthen the internal market;
- emphasis on the positive impact of the proposed measures for SMEs, in particular, and the urgent need to end the current fragmentation of the tax rules they faced within the Union, which seriously undermined their competitiveness;
- the need to try to make the proposed tax system as fair as possible, while incorporating the desired beneficial impact on the growth and competitiveness of the European economy; the suggestion that this dimension be included in the title of the future Action Plan; for others, the need to proceed cautiously in order not to create an excessive imbalance between the competitive conditions in Europe and those in other parts of the world, particularly for American multinationals;
- support for close coordination between the proposed measures and the work currently under way at the OECD with the BEPS project, particularly as regards the principle of taxing revenue in the country where the economic activity generated the profits, and the importance of avoiding any duplication of such work; confirmation of the need, ultimately, for a multilateral solution to

effectively tackle tax base erosion and profit shifting; support, therefore, for active participation by the Union in the ongoing multilateral work; doubts, expressed by certain Members, about the need for Europe to adopt a more ambitious approach than that of the BEPS project;

The proposed strategy for relaunching the interinstitutional negotiations on the Common Consolidated Corporate Tax Base (CCCTB) (question 2)

- general support by Members of the Commission for the gradual approach proposed in order to break the deadlock in the Council; in this connection, the need to focus in the first instance on the measures that were achievable in the short term and to make the common corporate tax base mandatory but without including the consolidation aspect; support, too, for the proposal to tackle consolidation at a later stage, while restating the Commission's objective;
- the case made by some Members for retaining the objective of setting up a one-stop shop, as envisaged in the initial proposal in 2011, and a reminder of the advantages of such a system for both businesses and the internal market;
- some requests for clarification of the practical arrangements and timetable proposed for drafting the Commission's revised proposal; references to the possible reactions of the business world, in particular;
- the possibility raised by some Members of considering the case for a minimum rate of corporate tax;

Ensuring effective taxation of profits while taking into account the need for a competitive and growth-friendly corporate tax environment (question 3)

- the need for the Commission to be involved in the debate on this question; support for the proposal to look into ways of combating opaque and abusive tax practices, while at the same time creating a climate conducive to the competitiveness of the European economy;

- support for making information on corporate taxation in the EU more transparent, which would reinforce the application of the proposed rules, thereby making the system fairer; a reminder, in addition, of the rules on transparency by which companies in other parts of the world, particularly the USA, were bound, and the need, in the eyes of some, for the Commission to make an even firmer commitment on this point; a number of questions on the sequence of the planned stages between public consultation and impact assessment;
- the advisability for the future Action Plan to refer to the need to move towards a new model that would correct the difference in the tax treatment of equity and debt so as to boost investment in the real economy, research and innovation; a call to display more ambition in this area and to promote best practice as applied in certain Member States;
- the suggestion that the Commission examine the fiscal challenge represented by the sharing economy.

Mr DOMBROVSKIS thanked the Members of the Commission for their contributions to this policy debate and for their strong support. On the basis of this he and Mr MOSCOVICI would prepare the Action Plan which would be presented to them soon.

The Commission took note of the conclusions of this policy debate and of the background note in SEC(2015) 238.

16. OTHER BUSINESS (CONTINUED)

EURONEWS

(INFO(2015) 46)

The Commission took stock of the latest developments concerning the television channel Euronews.

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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 11.54.