



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2015) 2143 final

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

Strasbourg, 27 October 2015

TEXTE EN

MINUTES

of the 2143rd meeting of the Commission

held in Brussels

(Berlaymont)

on 21 October 2015

(morning)

—

PV(2015) 2143 final

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

EN

TABLE OF CONTENTS

Attendance list	5-7
1. AGENDAS (OJ(2015) 2143/FINAL; SEC(2015) 412/FINAL)	8
2. WEEKLY MEETING OF CHEFS DE CABINET (RCC(2015) 2143).....	8
3. MINUTES OF 2142 ND MEETING OF THE COMMISSION (14 OCTOBER) (PV(2015) 2142)	8
4. INTERINSTITUTIONAL RELATIONS (RCC(2015) 83)	8
4.1. <i>LEGISLATIVE MATTERS</i>	9
4.2. <i>RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL</i>	13
4.3. <i>RELATIONS WITH PARLIAMENT</i>	14
5. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2015) 418)	15
5.1. <i>DG TRADE – AMENDMENT OF THE ORGANISATION CHART AND APPOINTMENT OF AD16 ADVISER HORS CLASSE</i>	15
5.2. <i>DG ENVIRONMENT – APPOINTMENT OF AD14 DIRECTOR</i>	15
5.3. <i>DG HEALTH AND FOOD SAFETY – TERMINATION OF THE SELECTION PROCEDURE FOR AN AD14/15 DIRECTOR POST (PERS(2011) 134 TO /3)</i>	16
6. COMMISSION DECISION ON A PROCEEDING UNDER ARTICLE 101 OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION AND ARTICLE 53 OF THE AGREEMENT ON THE EUROPEAN ECONOMIC AREA (CASE AT.39639 – OPTICAL DISC DRIVES) (C(2015) 7135 TO /7; RCC(2015) 85).....	16

7.	WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	17
7.1.	WRITTEN PROCEDURES APPROVED (SEC(2015) 414 ET SEQ.).....	17
7.2.	EMPOWERMENT (SEC(2015) 415 ET SEQ.).....	18
7.3.	DELEGATION AND SUBDELEGATION OF POWERS (SEC(2015) 416 ET SEQ.).....	18
7.4.	SENSITIVE WRITTEN PROCEDURES (SEC(2015) 417 AND /2)	18
8.	COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK ON STEPS TOWARDS COMPLETING ECONOMIC AND MONETARY UNION (COM(2015) 600 TO /3 ; RCC(2015) 84).....	18
9.	RECOMMENDATION FOR A COUNCIL RECOMMENDATION ON THE ESTABLISHMENT OF NATIONAL COMPETITIVENESS BOARDS WITHIN THE EURO AREA (COM(2015) 601 AND /2; RCC(2015) 84).....	27
10.	COMMISSION DECISION ESTABLISHING AN INDEPENDENT ADVISORY EUROPEAN FISCAL BOARD (C(2015) 8000 TO /3; RCC(2015) 84).....	27
11.	COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK - A ROADMAP FOR MOVING TOWARDS A MORE CONSISTENT EXTERNAL REPRESENTATION OF THE EURO AREA IN INTERNATIONAL FORA (COM(2015) 602 TO /3; RCC(2015) 84).....	27
12.	PROPOSAL FOR A COUNCIL DECISION LAYING DOWN MEASURES IN VIEW OF PROGRESSIVELY ESTABLISHING UNIFIED REPRESENTATION OF THE EURO AREA IN THE	

INTERNATIONAL MONETARY FUND (COM(2015) 603 TO /3; RCC(2015) 84).....	28
13. COMMISSION DECISION WITHDRAWING THE COMMISSION PROPOSAL FOR A COUNCIL DECISION ON THE REPRESENTATION AND POSITION TAKING OF THE COMMUNITY AT INTERNATIONAL LEVEL IN THE CONTEXT OF ECONOMIC AND MONETARY UNION – COM(1998) 637 FINAL (C(2015) 8001; RCC(2015) 84).....	28
14. OTHER BUSINESS.....	29
14.1. THE REFUGEE CRISIS (SI(2015) 402).....	29
14.2. PREPARATION OF THE COMMISSION'S 2016 WORK PROGRAMME	34

Single sitting: Wednesday 21 October 2015 (morning)

The sitting was opened at 09.04 and chaired by Mr TIMMERMANS, the PRESIDENT being absent.

Present:

Mr TIMMERMANS	First Vice-President	
Ms MOGHERINI	High Representative / Vice-President	Item 14 (in part)
Ms GEORGIEVA	Vice-President	Items 7 (in part) to 14
Mr ŠEFČOVIČ	Vice-President	Items 1 to 8/13 (in part)
Mr DOMBROVSKIS	Vice-President	Items 7 (in part) to 14
Mr KATAINEN	Vice-President	Items 1 to 8/13 (in part)
Mr OETTINGER	Member	Items 7 (in part) to 14
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSSEN	Member	Items 7 (in part) to 14
Mr MOSCOVICI	Member	Items 1 to 14 (in part)
Mr STYLIANIDES	Member	
Lord HILL	Member	
Ms BULC	Member	
Ms BIENKOWSKA	Member	
Ms JOUROVÁ	Member	
Ms CREȚU	Member	
Ms VESTAGER	Member	Items 1 to 14 (in part)
Mr MOEDAS	Member	Items 1 to 14 (in part)

Absent:

Mr JUNCKER	President
Mr ANSIP	Vice-President
Mr HAHN	Member
Mr ARIAS CAÑETE	Member
Mr HOGAN	Member
Mr NAVRACSICS	Member

(21 October 2015)

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

Mr LEPASSAAR	Chef de cabinet to Mr ANSIP
Mr KARNITSCHNIG	Chef de cabinet to Mr HAHN
Mr SCHELLEKENS	Deputy Chef de cabinet to Mr ARIAS CAÑETE
Mr POWER	Chef de cabinet to Mr HOGAN
Mr HILL	Chef de cabinet to Mr NAVRACSICS

The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PESONEN	Director-General, DG Communication	
Ms ANDREEVA	Commission Spokesperson's Service	
Ms METTLER	Head of the European Political Strategy Centre	Items 8/13 (in part) to 14
Mr SWIEBODA	European Political Strategy Centre	Items 1 to 8/13 (in part)
Ms DEJMEK-HACK	Adviser in the PRESIDENT's Office	Items 7 (in part) to 14
Mr SMULDERS	Chef de cabinet to Mr TIMMERMANS	
Mr MANSERVISI	Chef de cabinet to Ms MOGHERINI	Items 7 (in part) to 14
Mr VAN KEMSEKE	Expert from Mr ŠEFČOVIČ's cabinet	Items 8/13 (in part) to 14
Mr LAHTI	Chef de cabinet to Mr DOMBROVSKIS	Items 8/13 (in part)
Mr SUARDI	Deputy Chef de cabinet to Mr DOMBROVSKIS	Items 8/13 (in part)
Ms HARDEMAN	Deputy Chef de cabinet to Mr KATAINEN	Items 8/13 (in part) to 14
Ms SCHMITT	Chef de cabinet to Mr AVRAMOPOULOS	
Ms JUUL-JØRGENSEN	Chef de cabinet to Ms VESTAGER	Items 1 to 14 (in part)

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

PV(2015) 2143 final*- English language version of the French text which is authentic -***EN**

1. AGENDAS

(OJ(2015) 2143/FINAL; SEC(2015) 412/FINAL)

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) 2143)

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

3. MINUTES OF 2142ND MEETING OF THE COMMISSION (14 OCTOBER)

(PV(2015) 2142)

The Commission approved the minutes of its 2142nd meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2015) 83)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 16 October (RCC(2015) 83).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Trilogue meetings

(point 3.1 of the IRG record)

- Amendment of Regulations (EC) 715/2007 and (EC) 595/2009 as regards the reduction of pollutant emissions from road vehicles (Regulation) – DESS report – 2014/0012 (COD)

The Commission approved the line set out in SI(2015) 384.

- Conditions of entry and residence of third-country nationals for the purposes of research, studies, pupil exchange, remunerated and unremunerated training, voluntary service and au pairing (Directive – recast) – WIKSTRÖM report – 2013/0081 (COD)

The Commission approved the line set out in SI(2015) 393.

ii) European Parliament dossiers – October III part-session

(point 3.2 of the IRG record)

Ordinary legislative procedure – Second reading

- Package travel and assisted travel arrangements, amendment of Regulation (EC) 2006/2004, Directive 2011/83/EU and repeal of Council Directive 90/314/EEC (Directive) – COLLIN-LANGEN report – 2013/0246 (COD)

The Commission took note of the compromise text in SP(2015) 604, further to communication COM(2015) 493, which it had already approved on 5 October.

Empowerment

Under Article 13 of its Rules of Procedure, the Commission empowered Ms JOUROVÁ, in agreement with the PRESIDENT and Mr TIMMERMANS and any other members associated, to adopt its opinion on the amendments together with any amended proposals, on the basis of the line set out in COM(2015) 493 as approved by the Commission on 5 October, once Parliament had given its opinion, and transmit them to the Council in accordance with Article 294(7)(c) of the Treaty on the Functioning of the European Union.

- Measures concerning the European single market for electronic communications and to achieve a Connected Continent, and amendment of Directives 2002/20/EC, 2002/21/EC and 2002/22/EC and Regulations (EC) 1211/2009 and (EU) 531/2012 (Regulation) – DEL CASTILLO VERA report – 2013/0309 (COD)

The Commission took note of the compromise text in SP(2015) 605, further to communication COM(2015) 489, which it had already approved on 2 October.

Empowerment

Under Article 13 of its Rules of Procedure, the Commission empowered Mr OETTINGER, in agreement with the PRESIDENT and Mr TIMMERMANS and Mr ANSIP, and any other members associated, to adopt its opinion on the amendments together with any amended proposals, on the basis of the line set out in COM(2015) 489 as approved by the Commission on 2 October, once Parliament had given its opinion, and transmit them to the Council in accordance with Article 294(7)(c) of the Treaty on the Functioning of the European Union.

- Amendment of Regulation (EU) 1343/2011 of the European Parliament and of the Council of 13 December 2011 on certain provisions for fishing in the GFCM (General Fisheries Commission for the Mediterranean) Agreement area (Regulation) – MATO report – 2014/0213 (COD)

The Commission took note of the compromise text in SP(2015) 606, further to communication COM(2015) 354, which it had already approved on 14 July.

Empowerment

Under Article 13 of its Rules of Procedure, the Commission empowered Mr VELLA, in agreement with the PRESIDENT and Mr TIMMERMANS and Mr KATAINEN, and any other members associated, to adopt its opinion on the amendments together with any amended proposals, on the basis of the line set out in COM(2015) 354 as approved by the Commission on 14 July, once Parliament had given its opinion, and transmit them to the Council in accordance with Article 294(7)(c) of the Treaty on the Functioning of the European Union.

Ordinary legislative procedure – First reading

- Novel foods (Regulation) – NICHOLSON report – 2013/0435 (COD)

The Commission approved the line set out in SP(2015) 608 and took note of the compromise text attached to that document.

- Amendment of Regulation (EC) 1829/2003 as regards the possibility for the Member States to restrict or prohibit the use of genetically modified food and feed on their territory (Regulation) – LA VIA report – 2015/0093 (COD)

The Commission approved the line set out in SP(2015) 609.

- Amendment of Council Regulation (EC) 1236/2005 concerning trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment (Regulation) – SCHAAKE report – 2014/0005 (COD)

The Commission approved the line set out in SP(2015) 610 and /3.

- Reporting and transparency of securities financing transactions (Regulation) – SORU report – 2014/0017 (COD)

The Commission approved the line set out in SP(2015) 611 and took note of the compromise text attached to that document.

- Reduction of national emissions of certain atmospheric pollutants and amendment of Directive 2003/35/EC (Directive) – GIRLING report – 2013/0443 (COD)

The Commission approved the line set out in SP(2015) 612, further to note SI(2015) 230, which it had already approved on 9 June.

- Establishment of a European Union agency for law enforcement training (CEPOL), repeal and replacement of Council Decision 2005/681/JHA (Regulation) – GÁL report – 2014/0217 (COD)

The Commission approved the line set out in SP(2015) 613/2 and took note of the compromise text in SP(2015) 613, further to note SI(2015) 210, which it had already approved on 3 June.

Special legislative procedure (CNS) / Non-legislative procedure (NLE)

- Amendment of Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (Council Directive) – FERBER report – 2015/0068 (CNS)

- Conclusion, on behalf of the European Union, of the Amending Protocol to the Agreement between the European Community and the Swiss Confederation providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (Council Decision) – KOFOD report – 2015/0076 (NLE)
- Repeal of Council Directive 2003/48/EC (Council Directive) – SCOTT CATO report – 2015/0065 (CNS)

The Commission approved the line set out in SP(2015) 614.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Programming of Council business

(SI(2015) 403)

The Commission took note of the information in SI(2015) 403 on the Council meetings between 22 October and 4 November.

iv) Non-legislative dossier

(point 4.1 of the IRG record)

- International Maritime Organisation (IMO) – Council Shipping Working Party – Joint European Union submission to be submitted to the third session of the Sub-Committee on Ship Design and Construction of the IMO (SDC 3) concerning passenger ship safety related matters (SWD(2015) 180)

The Commission approved the line set out in SI(2015) 399.

**v) Preparations for the Council meeting (Agriculture and Fisheries)
(Luxembourg, 22 October 2015)**

(point 4.2.1 of the IRG record)

- Fishing opportunities for 2016 for certain fish stocks and groups of fish stocks applicable in the Baltic Sea (Council Regulation) – 2015/0184 (NLE)

The Commission approved the line set out in SI(2015) 356.

- Amendment to Regulation (EU) 2015/104 as regards certain fishing opportunities (Council Regulation) – 2015/0236 (NLE)

The Commission approved the line set out in SI(2015) 357.

4.3. RELATIONS WITH PARLIAMENT

vi) Action taken on non-legislative resolutions adopted by Parliament at its July part-session

(point 5.6.2 of the IRG record)

The Commission approved, for transmission to Parliament, documents SP(2015) 575 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its July part-session.

vii) Results of the October II part-session of Parliament

(SP(2015) 617)

The Commission took note of the information on Parliament's part-session held on 14 October in Brussels, set out in SP(2015) 617.

5. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2015) 418)

ADMINISTRATIVE MATTERS

(PERS(2015) 96)

5.1. DG TRADE – AMENDMENT OF THE ORGANISATION CHART AND APPOINTMENT OF AD16 ADVISER HORS CLASSE

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Ms MALMSTRÖM, and Ms MOGHERINI and Mr KATAINEN, the Commission decided:

- to create a temporary post of adviser hors classe in DG Trade, directly attached to the Director-General; this post would be abolished upon departure of the job holder on 29 February 2016;
- to fill this post, by transfer in the interest of the service under Article 7 of the Staff Regulations, of Mr Peter BALAS, currently Head of the Support Group for Ukraine at DG Neighbourhood and Enlargement Negotiations;
- to allow Mr Peter BALAS to stay beyond the legal retirement age until 29 February 2016.

These decisions would take effect on 1 December 2015.

5.2. DG ENVIRONMENT – APPOINTMENT OF AD14 DIRECTOR

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, and after consulting Mr VELLA, and Mr ŠEFČOVIČ and Mr KATAINEN, the Commission decided to fill the post of Director of the ‘Natural Capital’ Directorate in DG Environment by transfer in the interest of the service under Article 7 of the Staff Regulations of Mr Humberto DELGADO ROSA,

currently Director of the ‘Mainstreaming Adaptation and Low Carbon Technology’ Directorate in DG Climate Action.

This decision would take effect on 16 November 2015.

5.3. DG HEALTH AND FOOD SAFETY – TERMINATION OF THE SELECTION PROCEDURE FOR AN AD14/15 DIRECTOR POST (PERS(2011) 134 TO /3)

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, and after consulting Mr ANDRIUKAITIS, and Mr KATAINEN, the Commission decided to terminate internal selection procedure COM/2011/1720 for the post of Director of the ‘Public Health’ Directorate in DG Health and Food Safety, without making an appointment.

This decision would take effect immediately.

6. COMMISSION DECISION ON A PROCEEDING UNDER ARTICLE 101 OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION AND ARTICLE 53 OF THE AGREEMENT ON THE EUROPEAN ECONOMIC AREA (CASE AT.39639 – OPTICAL DISC DRIVES) (C(2015) 7135 TO /7; RCC(2015) 85)

The Commission:

- took note of the opinions of the Advisory Committee on Restrictive Practices and Dominant Positions of 5 and 15 October in C(2015) 7135/4 and /5;
- took note of the final report of the Hearing Officer of 19 October in C(2015) 7135/6;

- adopted in the authentic language (English) the decision in C(2015) 7135/7 finding that the companies to which the decision was addressed had infringed Article 101 of the Treaty on the Functioning of the European Union and Article 53 of the Agreement on the European Economic Area, requiring the parties to put an end to the infringements immediately and imposing on some of these companies fines totalling €116 377 000;
- decided that the decision in C(2015) 7135/7 would be notified to the companies concerned, together with the Hearing Officer's final report;
- decided that the key parts of the decision, together with the Advisory Committee's opinion and the Hearing Officer's final report, would be published in the official languages of the Union in the Official Journal of the European Union (with business secrets and other confidential information removed);
- decided to make the decision (with business secrets and other confidential information removed) accessible on the internet.

7. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

7.1. WRITTEN PROCEDURES APPROVED (SEC(2015) 414 ET SEQ.)

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

7.2. EMPOWERMENT

(SEC(2015) 415 ET SEQ.)

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

7.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2015) 416 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 October, as archived in Decide.

7.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2015) 417 AND /2)

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

8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK ON STEPS TOWARDS COMPLETING ECONOMIC AND MONETARY UNION

(COM(2015) 600 TO /3 ; RCC(2015) 84)

Mr DOMBROVSKIS introduced this important set of initiatives — see items 8 to 13 of these minutes — submitted to the Commission in response to the recommendations made in the report on completing Economic and Monetary Union (EMU), presented in June 2015 by the 'Five Presidents' (the Presidents of the

Commission, the European Parliament, the Euro Summit, the Eurogroup and the European Central Bank (ECB)). The overall aim of this first set of initiatives was to bolster the foundations of EMU, following the emergency measures of recent years to overcome the crisis, by revitalising the convergence process necessary for the resilience of the EMU.

He described the composition of the package, which included a number of practical measures aimed at ensuring the implementation of Stage 1 of the process of completing EMU, entitled 'Deepening by doing', i.e. without changing the Treaty.

He focused first of all on the recommendations for strengthening economic and fiscal governance. He mentioned first of all the fresh approach of the European Semester, which involved greater integration of the euro area and the national dimension, paying more attention to social and employment issues, greater involvement of social partners, more systematic use of benchmarking and cross-examination of performance to achieve genuine macroeconomic convergence of the Member States.

Secondly, he mentioned the initiatives that aimed to complement the governance toolbox, in particular the recommendation for the creation of national Competitiveness Boards in the euro-area Member States. The principle behind these national boards was that a monetary union had an absolute need for a tool to monitor competitiveness in order to make any corrections that might become necessary. The recommendation left the choice of the structure of these bodies to the discretion of the Member States in order to take account of different traditions and contexts.

Moving on to the Commission Decision establishing an independent advisory European Fiscal Board, administratively attached to the Secretariat-General, he went on to say that the Board would be made up of a number of experts in economic and budgetary matters so that it could play a consultative role and contribute to the exercise of the Commission's functions with regard to budgetary surveillance, thus

reinforcing its decision-making independence on budget policy matters. The Board would also have the task of coordinating the work of the national fiscal councils.

As regards the proposed measures to improve transparency and simplify the existing rules, he mentioned the proposals designed to strengthen the Macroeconomic Imbalances Procedure (MIP), for example by providing explicit justification of the decisions taken by the Commission regarding country-specific recommendations linked to the procedure. He also pointed out that the conditions for the effective opening of the excessive imbalances procedure had now been set out.

Thirdly, he described the measures designed to strengthen the position of the euro area on the international stage through a more consistent external representation. He went into more detail on the only legislative proposal in the package, which concerned the gradual introduction of a unified representation of the euro area in the International Monetary Fund (IMF), which would lie with the President of the Eurogroup. This gradual development would in particular allow the consultation process which already existed among euro-area Member States to be formalised.

Finally, Mr DOMBROVSKIS mentioned another fundamental aspect of EMU, progress towards full financial union, and referred briefly to the priorities laid down, notably as regards banking union. Although major progress had been made in recent years, the time had now come to ensure the transposition and full implementation of the measures already agreed, in particular the Bank Recovery and Resolution Directive (BRRD) and the Deposit Guarantee Scheme Directive. He stressed especially the need to encourage Member States to reach a swift agreement on an effective bridge financing mechanism in order to provide the Single Resolution Mechanism with the resources it needed for its forthcoming launch.

He concluded by stating the Commission's firm commitment to ensuring that the package had effective democratic legitimacy, ownership and accountability, for example through closer cooperation both with the European and national parliaments and with the social partners. He also confirmed that the preparatory

stage for implementing Stage 2 ('Completing the EMU') was about to begin with a wide-ranging consultation of stakeholders.

Mr MOSCOVICI stressed once again the political and technical importance of the set of initiatives that the Commission was adopting that day, which implemented and paved the way for a number of necessary reforms which would enable the single currency to live up to its promises in terms of growth and employment.

In particular, he welcomed the decisions on fiscal governance, with the independent advisory European Fiscal Board, and economic governance, with the creation of national Competitiveness Boards, aimed at relaunching the long-term economic convergence which was a precondition for the stability and resilience of the single currency.

He felt that it was particularly important to pay more attention to the euro-area dimension in the overall fiscal stance, on the one hand, and in the coordination of competitiveness policies on the other, since provision was now made for a more targeted approach in this connection with the publication of the Annual Growth Survey (AGS). Regarding the scope of these proposals, he pointed out that, although they were directed at the euro area, there was nothing to prevent the other Member States which were preparing to join from following these good practices, especially in matters of competitiveness.

On the question of the external representation of the euro area, he recalled how important it was – as the Greek crisis had shown – for the euro area to speak with one voice in international financial institutions, and especially the IMF. Although he agreed with the recommendation for a gradual approach towards eventually having a single seat for the euro area in the IMF, he wished to point out that other options could be considered, if necessary, for example representation by the Commission.

Finally, as regards the announcement of the preparatory work for Stage 2, Mr MOSCOVICI felt it was essential to make clear to the public and to

governments in the euro area that the measures necessary for the completion of EMU would begin quickly. The proposals to be drawn up would, when the time came, inevitably lead to national debates. He considered that the Commission should therefore set out publicly its political vision and expressed his strong support for the objective of presenting firm proposals at the beginning of 2017 at the latest, in line with the political approach advocated by the PRESIDENT.

Ms THYSSEN returned to the importance of employment and the social dimension in the package, reflecting the Commission's desire to ensure a fair balance between fiscal consolidation, macroeconomic convergence and social justice in the context of a deeper EMU.

She stressed the highly political nature of the decision to take account of the social dimension in an efficient manner in order to rally the support of the people of Europe for the project of deepening EMU. She also referred to the tools provided for in the package – benchmarking and cross-country comparison in a number of areas – which were designed to encourage upward convergence in matters of employment and social policy and which would be included in the European Semester exercise.

She felt it was just as relevant to include social indicators in the Excessive Macroeconomic Imbalances Procedure from now on; this would allow the socio-economic background underlying the macroeconomic findings to be taken into account in a more subtle way. On this point, she stressed the need to have the most recent data, since the employment and unemployment situations were prone to rapid fluctuations in some Member States.

Regarding the recommendation on the creation of national Competitiveness Boards, which she supported, she welcomed the deliberately broad definition of competitiveness used.

Ms THYSSEN was convinced of the appropriateness of this important package, not

only in order better to prepare the ambitious proposals that would be drawn up in Stage 2 to complete the EMU, but also to demonstrate that the Commission was not neglecting to act in order to redress a number of imbalances that might have arisen in some regions of the Union as a result of the economic crisis.

Mr KATAINEN felt that it was important for the Excessive Macroeconomic Imbalances Procedure to be effectively implemented where necessary to preserve the Commission's credibility in the assessment of the economic policies of the euro area Member States.

As regards the setting up of National Competitiveness Boards, the European Central Bank (ECB) could take on this role for the euro area Member States, if the Member States so decided, since it had all the requisite data, albeit that these data were still greatly under-utilised.

With regard to the future independent advisory European Fiscal Board, while he did not call into question the choice made in the proposal he felt that the Commission's Directorate-General for Economic and Financial Affairs would be better placed in terms of the expertise to be provided.

He also stressed the need for a balanced approach when setting out the second stage of the process to deepen the EMU, in particular as regards the need for the Member States to demonstrate mutual solidarity and exercise discipline in order to comply with the rules in force.

In future, a distinction should be drawn between the situation of EU citizens and that of the banks in the context of the banking union. More specifically, it was necessary to protect citizens' interests by limiting the number of government bonds the banks could acquire.

Lord HILL supported Mr MOSCOVICI's idea of confirming the Commission's wish to start work quickly on stage 2 to make the EMU more stable and more sound, since the measures under stage 1 were generally on track.

Turning to the details of the measures needed to complete the banking union, he mentioned the legislative proposal he would be submitting to the Commission by the end of the year aimed at moving towards a European Deposit Insurance Scheme. The proposal would be based on the reinsurance principle. He also fully agreed with Mr KATAINEN on the need to complete the separation of the situation of citizens from that of banks. It was necessary to combine the efforts aimed at reducing risks in the banking sector and those aimed at guaranteeing a more equitable spread of risks.

He referred in this connection to the implementation of the measures already adopted, in particular the transposition of the Bank Recovery and Resolution Directive (BRRD), since all the Member States, with one exception, had confirmed their intention of complying with it by the end of the year.

Lord HILL also hoped that the Member States would be encouraged to speed up ratification of the Intergovernmental Agreement on the Single Resolution Mechanism, which would come into force on 1 January 2016.

In the course of the discussion that followed, the Commission raised the following main points:

- the usefulness of benchmarking to further the convergence of the Member States' economic policies;
- the need to clarify the rules on economic governance, minimising the scope for diverging interpretations by the Member States;
- the case for using social indicators, such as access to universal medical cover, when analysing the Member States' macroeconomic policies;
- as regards competitiveness, it was important not to focus solely on costs but to adopt a broader approach so as to measure innovative capacity and human resources management, for example;

- the need to leave the Member States a sufficient margin for manoeuvre when setting up the National Competitiveness Boards, in particular so as not to undermine those already existing in certain Member States;
- the balance that should be struck between the euro area and non-euro area EU Member States at each stage of this process;
- with regard to the Union's external representation, it was important that the structures introduced should not be overly complex; a call to consider all possible scenarios, for example a request for IMF intervention by a neighbouring third country where the decision would be taken, on behalf of the Union, by the President of the Euro Group, its sole representative in the IMF, whereas this was a matter that came under the neighbourhood policy and concerned the 28 Member States;
- the case for examining in more detail the Union's external representation in other international bodies, for example the World Bank, and the suggestion to set up a restricted working party in the Commission to address this issue;
- nevertheless, the need for unified representation of the Union in international bodies so that it could punch its weight in international negotiations;
- a request for clarification in order to avoid any risk of duplication between certain types of advice that may be offered to the Member States by the Structural Reform Support Service (SRSS) and that offered by the Directorate-General for Regional and Urban Policy as part of the technical assistance provided in connection with the Structural Funds; the consequences in terms of budgetary responsibilities.

Replying to some of these comments, Mr DOMBROVSKIS began with the discussion on the external representation of the euro area, in particular in the IMF. He pointed out that the proposal adopted that day was replacing another one that had

remained a dead letter since 1998, and that it was designed to be acceptable to the Member States. For this reason, it was not aimed at the EU 28 as such but rather provided for transparency with regard to the whole Union and respect for the internal market.

He noted the comments on the division of responsibilities between the SRSS and the Commission Directorates-General responsible for implementing the Structural Funds and said that he was willing to clarify some of these aspects in the light of the competences attributed to the SRSS.

Returning to the question of the European Central Bank, which, according to Mr KATAINEN, could be the most appropriate institution to act as the Competitiveness Board for the euro area, he explained that discussions on this point must be based on the national central banks, which remained independent.

As regards the mandate of the National Competitiveness Boards, he observed that it was a broad remit which covered the cost factor as well as other factors such as productivity, competences, and the attractiveness of the business and innovation environment. Furthermore, closely monitoring performance in terms of competitiveness was a means of identifying economic divergences between euro area and non-euro area Member States at an early stage.

In conclusion, he underlined the fact that for this first set of initiatives, the Commission had opted for the approach advocated in the Five Presidents' report and had combined ambition and realism. He pointed out that the proposals and decisions adopted that day (items 8 to 13 of these minutes) represented a first step that would be followed by further measures, and thanked the Commission Members who had contributed to them.

The Commission approved the Communication in COM(2015) 600/3 for transmission to Parliament, the Council and the European Central Bank and, for

information, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments.

9. RECOMMENDATION FOR A COUNCIL RECOMMENDATION ON THE ESTABLISHMENT OF NATIONAL COMPETITIVENESS BOARDS WITHIN THE EURO AREA

(COM(2015) 601 AND /2; RCC(2015) 84)

The Commission approved the recommendation for a Council Recommendation in COM(2015) 601/2 for transmission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, and, for information, to the national parliaments.

10. COMMISSION DECISION ESTABLISHING AN INDEPENDENT ADVISORY EUROPEAN FISCAL BOARD

(C(2015) 8000 TO /3; RCC(2015) 84)

The Commission approved the decision in C(2015) 8000/3 for transmission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments, and for publication in the *Official Journal of the European Union*.

11. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK -

PV(2015) 2143 final

**A ROADMAP FOR MOVING TOWARDS A MORE CONSISTENT
EXTERNAL REPRESENTATION OF THE EURO AREA IN
INTERNATIONAL FORA**

(COM(2015) 602 TO /3; RCC(2015) 84)

The Commission approved the communication in COM(2015) 602/3 for transmission to the European Parliament, the Council, the European Central Bank, and, for information, to the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank, and the national parliaments.

**12. PROPOSAL FOR A COUNCIL DECISION LAYING DOWN MEASURES IN
VIEW OF PROGRESSIVELY ESTABLISHING UNIFIED
REPRESENTATION OF THE EURO AREA IN THE INTERNATIONAL
MONETARY FUND**

(COM(2015) 603 TO /3; RCC(2015) 84)

The Commission approved the proposal for a Council Decision in COM(2015) 603/3 for transmission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, and, for information, to the national parliaments.

**13. COMMISSION DECISION WITHDRAWING THE COMMISSION
PROPOSAL FOR A COUNCIL DECISION ON THE REPRESENTATION
AND POSITION TAKING OF THE COMMUNITY AT INTERNATIONAL
LEVEL IN THE CONTEXT OF ECONOMIC AND MONETARY UNION –**

COM(1998) 637 FINAL**(C(2015) 8001; RCC(2015) 84)**

The Commission approved the decision in C(2015) 8001 for transmission, for information, to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments, and for publication in the *Official Journal of the European Union*.

14. OTHER BUSINESS**14.1. THE REFUGEE CRISIS****(SI(2015) 402)**

Mr TIMMERMANS opened the discussion by announcing the political initiative by the PRESIDENT to convene a meeting in Brussels on Sunday 25 October of the Heads of State or Government of the Member States and the neighbouring countries directly affected by the influx of refugees on the Western Balkans route – Austria, Bulgaria, Croatia, the former Yugoslav Republic of Macedonia, Germany, Greece, Hungary, Romania, Serbia and Slovenia – in the presence of the President of the European Council and the Luxembourg Presidency of the Council of the European Union, the United Nations High Commissioner for Refugees and representatives of the European Asylum Support Office (EASO) and the European Agency for the Management of Operational Cooperation at the external borders of the Member States of the European Union (Frontex).

This meeting, scheduled in view of the emergency situation facing the countries of the Balkan route, responded to the need for enhanced cooperation and greater consultation, but also aimed to reach agreement on immediate

operational measures. He stressed the implications of this meeting for the Commission, which must be able to propose robust solutions both to assist Member States and countries particularly affected by a huge influx of refugees, and to maintain the European dimension to the management of this crisis despite the increase in the number of uncoordinated national initiatives in recent weeks.

Mr TIMMERMANS then mentioned another aspect of the migration crisis which had been discussed at the European Council meeting the week before, namely the recent agreement with the Turkish authorities on the joint action plan on migration, which had also been helped by the visit of the German Chancellor, Angela Merkel, to Turkey on 18 October. He welcomed this progress towards a solution that was in the interests of both parties. However, he emphasised the need to ensure that the action plan was actually implemented.

For its part, the Turkish government wished to obtain concessions from the EU on the liberalisation of the conditions for granting visas, the opening of negotiating chapters in the accession process and the Union's financial contribution to the management of migration flows.

He considered that the Commission could make progress on visa issues, but also on opening Chapter 17 (economic and monetary policy), on which agreement had more or less been reached, and that it could examine the possibility of opening Chapter 15 (energy), whilst starting preparatory work on opening Chapters 23 (judiciary and fundamental rights) and 24 (justice, freedom and security), and finally, that it could call on the Member States to meet the financial commitments they had made in respect of the priority actions endorsed by the informal European Council meeting of 23 September.

Mr TIMMERMANS concluded his introduction by stressing the seriousness of the current crisis and voicing his concern at seeing walls being built in Europe, in breach of its fundamental values.

Mr AVRAMOPOULOS believed the construction of such walls had to be stopped immediately, which is why he welcomed the President's initiative of calling an emergency meeting of European leaders from countries along the Western Balkans route. However, he did not underestimate the considerable challenges they would have to face, for example in Slovenia, where he was going the following day. The following Sunday's discussions at the highest political level would undoubtedly be difficult, but he considered that leaders needed to achieve the impossible to reach a European solution to prevent any further deterioration in the situation on the ground and the overall political climate in Europe, at a time when there was a clear tendency towards disunity rather than unity on the refugee issue.

As regards Turkey, he noted that it was now ready to cooperate with the EU and that the Commission was keeping a close eye on the situation.

In the course of the discussion that followed, the Commission raised the following key points:

- general concern over the seriousness of the humanitarian situation for the refugees flooding into Europe and the great difficulties faced by countries on the front line in coping with them;
- support of Commission Members for the PRESIDENT's decision to invite the Heads of State or Government of the countries located along the Balkans Route to a meeting and for the lead taken by the Commission in the current crisis, both in terms of political initiatives and operational follow-up; the major political signal that such a meeting would give;

- the complexity of the ongoing crisis in terms of European public opinion, with, on the one hand, the spirit of solidarity shown by a great many citizens, keen to see assistance, especially humanitarian aid, brought to the refugees, escaping the threat of death in their countries of origin, and, on the other, instances of rejection, xenophobia and even violence;
- a reminder of the possibilities that the European Structural Funds offered Member States to fund action under the migration policy, in particular to integrate refugees, to bolster civil society, invest in education and culture or prevent radicalisation;
- the flexibility which the Commission aimed to show with respect to revising certain operational programmes financed by the structural funds and examining the requests sent to it by Member States particularly affected by the ongoing migrant crisis on a case-by-case basis;
- the advantage, in the eyes of certain Members, of mobilising European resources to meet real needs and of avoiding too strict financial programming; others warned of the risk of compromising certain policies funded out of the Union budget during the mid-term review of the 2014-2020 multi-annual financial framework and argued against financial transfers within the framework of the structural funds which did not help to reduce development gaps inside the Union;
- emphasis on the fact that some of the Member States most affected by the inflow of migrants needed advice from the Commission and the expertise of those Member States with more experience in coping with such situations, in addition to financial aid;
- in particular, the calls by certain Member States for a clear-cut position by the European Institutions on the core issue of protecting the borders of the Schengen area;

- the crucial importance of action on the ground, *inter alia* by non-governmental organisations (NGOs), to host the refugees humanely and the particular attention to be paid to the situation of children;
- the benefit for the Commission of proposing funding initiatives synonymous with hope, for example to provide schooling for children in refugee camps in Lebanon, Jordan and Turkey;
- the central role of Turkey in terms of managing migratory flows towards Europe and the advantage of getting it to cooperate by granting concessions; however, a reminder of how long it took to reach a decision on opening a negotiation chapter, a decision which, moreover, rested with the Council; there was also the advantage for the Commission and for its credibility of continuing its objective analysis of the progress made by Turkey against the backdrop of the accession process;
- the suggestion that Turkey should be offered an update to the Customs Union Agreement with the EU, which would have benefits for both sides, along with training for emergency situations, which were likely to recur given the latest mass exodus of refugees expected in the Aleppo region of Syria over the days and weeks ahead.

Mr AVRAMPOULOS called for everything to be done to avoid renewed tension in the Balkan region. He did not deny the seriousness of the political problem facing the Union in the refugee crisis, which was testing its values and its fundamental principles of unity and solidarity.

Mr TIMMERMANS brought the discussion to an end, adding that the Member States were, in many respects, faced with stark choices in terms of meeting their financial commitments, displaying solidarity, including fiscal solidarity, and helping to devise viable, lasting solutions to the present crisis.

The Commission took note of this information.

14.2. PREPARATION OF THE COMMISSION'S 2016 WORK PROGRAMME

Mr TIMMERMANS touched on the preparation of the Commission's work programme for 2016. He was pleased with the progress made, after an initial meeting between the PRESIDENT and the Vice-Presidents a few days earlier and another meeting that week, and the Conference of Presidents of the European Parliament, which supported the approach adopted by the Commission.

He announced that the draft work programme for 2016 would be sent to the chefs de cabinet as a protected file on Thursday evening with a view to their special meeting the next day, in which the chefs de cabinet were to prepare for its consideration by the Commission and adoption of the final work programme scheduled for the Commission meeting of 27 October.

The Commission took note of this information.

*

* *

The Commission's other discussions on certain agenda items are recorded in the special minutes.

*

* *

The meeting closed at 11.03.