EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2016) 2164 final

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Brussels, 27 April 2016

TEXTE EN

<u>MINUTES</u>

of the 2164th meeting of the Commission

held in Strasbourg

(Winston Churchill building)

on Tuesday 12 April 2016

(afternoon)

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__Single sitting__: Tuesday 12 April 2016 (afternoon)

The sitting opened at 13.17 with Mr JUNCKER, President, in the chair. Items 10 and 11 were chaired by Ms MOGHERINI.

__Present__:

Mr JUNCKER	President	Items 1 to 9
Ms MOGHERINI	High Representative / Vice-President	
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	Items 1 to 11 (in part)
Mr DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	Items 1 to 11 (in part)
Mr OETTINGER	Member	
Mr HAHN	Member	
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	Items 1 to 9
Ms THYSSEN	Member	
Mr MOSCOVICI	Member	
Mr STYLIANIDES	Member	
Mr HOGAN	Member	Items 7 (in part) to 10 (in part)
Lord HILL	Member	Items 1 to 9 (in part)
Ms BULC	Member	Items 1 to 11 (in part)
Ms BIEŃKOWSKA	Member	
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	Items 1 to 11 (in part)

Ms VESTAGER	Member
Mr MOEDAS	Member

Absent:

Mr TIMMERMANS	First Vice-President
Ms GEORGIEVA	Vice-President

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

Ms GROS-TCHORBADJIYSKA	A member of Ms GEORGIEVA's staff

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	
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	Items 1 to 9 (in part)
Ms ANDREEVA	Commission Spokesperson's Service	
Mr SWIEBODA	European Political Strategy Centre	
Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	Items 1 to 9
Mr LAHTI	Chef de cabinet to Mr DOMBROVSKIS	Items 1 to 7, and 11
Ms SCHMITT	Chef de cabinet to Mr AVRAMOPOULOS	Items 8 to 10
Mr KUCK	A member of Lord HILL's staff	Items 1 to 7
Ms MICHOU	Deputy Secretary-General	

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

1. AGENDAS
(OJ(2016) 2164/FINAL; SEC(2016) 164/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(2016) 2164)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 11 April.

3. APPROVAL OF THE MINUTES OF THE 2162ND AND 2163RD MEETINGS OF THE COMMISSION (23 MARCH AND 6 APRIL)
(PV(2016) 2162)

The Commission approved the minutes of its 2162nd meeting and decided to hold over approval of the minutes of its 2163rd meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS
(RCC(2016) 46)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 8 April (RCC(2016) 46).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Trilogue meetings

(point 3.1 of the IRG record)

– Activities and supervision of institutions for occupational retirement (Directive – recast) – HAYES report – 2014/0091 (COD)

The Commission approved the line set out in SI(2016) 134.

– Fourth Railway Package (market pillar) – Amendment of Regulation (EC) 1370/2007 concerning opening the market for domestic passenger rail transport services (Regulation) – VAN DE CAMP report – 2013/0028 (COD) / Amendment of Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area, concerning opening the market for domestic passenger rail transport services and governance of the railway infrastructure (Directive) – SASSOLI report – 2013/0029 (COD) / Repeal of Regulation (EEC) 1192/69 of the Council on common rules for the normalisation of the accounts of railway undertakings (Regulation) – KYLLÖNEN report – 2013/0013 (COD)

The Commission approved the line set out in SI(2016) 135.

ii) European Parliament dossiers – April I part-session

(point 3.2 of the IRG record)

Ordinary legislative procedure – First reading

– Use of Passenger Name Record data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime ‘European PNR’ (Directive) – KIRKHOPE report – 2011/0023 (COD)

The Commission approved the line set out in SP(2016) 249.

<u>Implementing acts and measures</u>

– Renewal of the approval of the active substance glyphosate in accordance with Regulation (EC) 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market, repeal of Council Directives 79/117/EEC and 91/414/EEC and amendment of the Annex to Commission Implementing Regulation (EU) 540/2011 of 25 May 2011 (Commission Implementing Regulation) – Objection pursuant to Rule 106

The Commission approved the line set out in SP(2016) 247.

iii) Council dossiers
(point 3.3 of the IRG record)

– Union Code on Visas (Regulation – recast) – LOPEZ AGUILAR report – 2014/0094 (COD)

The Commission approved the line set out in SI(2016) 136/2.

– Amendment of Council Regulation (EU, Euratom) 609/2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements (Council Regulation) – DEPREZ & LEWANDOWSKI report – 2015/0204 (NLE)

The Commission approved the line set out in SI(2016) 141.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iv) Programming of Council business
(SI(2016) 142)

The Commission took note of the information in SI(2016) 142 on the Council meetings between 14 and 27 April.

4.3. RELATIONS WITH PARLIAMENT

v) Non-legislative dossier – Preparation of the April I part-session
(point 5.1.1 of the IRG record)

– Establishment of a Union framework for the collection, management and use of data in the fisheries sector and support for scientific advice regarding the common fisheries policy (Regulation – recast) - AFFRONTE report – 2015/0133(COD) – Preparation of a meeting of the European Parliament's Fisheries Committee (PECH)

The Commission took note of SP(2016) 232 and /2.

vi) 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(2016) 242 on the action taken on the non-legislative resolutions adopted by Parliament at its February I part-session, for transmission to Parliament.

vii) Participation by Members of Parliament in international conferences
(point 5.7 of the IRG record)

– High-level Meeting of the International Civil Aviation Organization (ICAO) on a Global Market-Based Measure (MBM) Scheme (Montreal, 11 to 13 May)

The Commission agreed to the request to the PRESIDENT from Mr Martin Schulz, President of Parliament, concerning the attendance of three

Members of the European Parliament at the above-mentioned meeting as observers in the EU delegation, with a reminder about the procedure to be followed, in accordance with SP(2016) 230.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2016) 165 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 4 and 8 April.

5.2. EMPOWERMENT (SEC(2016) 166 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 4 and 8 April.

5.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2016) 167 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 4 and 8 April, as archived in Decide.

5.4. SENSITIVE WRITTEN PROCEDURES (SEC(2016) 168)

The Commission took note of the sensitive written procedures for which the time limit expired between 11 and 15 April.

6. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2016) 169/2)

ADMINISTRATIVE MATTERS (PERS(2016) 32/2)

The proposals for appointments to Director-General and Deputy Director-General posts listed below (see items 6.1 to 6.6 of these minutes) were submitted by the PRESIDENT to the College for decision.

The PRESIDENT took the opportunity afforded that day by these appointments to draw the Commission's attention to the progress already achieved in attaining the objective of having women in 40% of management posts by the end of his term in November 2019: women now filled 26% of the Director-General or Deputy Director-General posts, compared with 13% when the current Commission took office. He urged the members of the College to continue their efforts to achieve the 40% target.

6.1. DG INFORMATICS – APPOINTMENT OF AD15/16 DIRECTOR-GENERAL (PERS(2015) 101 TO /4)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director-General of DG Informatics (PERS(2015) 101 and /2).

It took note of the opinions of the Consultative Committee on Appointments of 24 February and 2 March (PERS(2015) 101/3 and /4).

The Commission proceeded to compare the applicants’ qualifications for the post. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr OETTINGER and also Mr ANSIP and Mr KATAINEN, the Commission decided to appoint Ms Gertrud INGESTAD to the post.

This decision would take effect on 16 April 2016.

6.2. DG INTERPRETATION – APPOINTMENT OF AD15/16 DIRECTOR-GENERAL (PERS(2015) 126 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director-General of DG Interpretation (PERS(2015) 126).

It took note of the opinions of the Consultative Committee on Appointments of 22 January and 4 February (PERS(2015) 126/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, it decided to appoint Ms Florika FINK-HOOIJER to the post.

This decision would take effect on 1 June 2016.

6.3. DG INFORMATICS – TERMINATION OF THE INTERNAL SELECTION PROCEDURE AND INTERNAL RE-PUBLICATION AT GRADE AD15/16 OF THE VACANCY NOTICE FOR A DEPUTY DIRECTOR-GENERAL POST (PERS(2015) 132 TO /3; PERS(2016) 34)

The Commission, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr OETTINGER and also Mr ANSIP and Mr KATAINEN, decided:

– to terminate the internal selection procedure COM/2015/2004 for the post of Deputy Director-General of DG Informatics, without making an appointment;

– to authorise the internal re-publication of the vacancy notice for the post of Deputy Director-General of DG Informatics, as set out in PERS(2016) 34, in accordance with Article 29(1)(a)(i) and (iii) of the Staff Regulations.

These decisions would take effect immediately.

6.4. JOINT RESEARCH CENTRE – APPOINTMENT OF AD15/16 DEPUTY DIRECTOR-GENERAL (PERS(2015) 129 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Deputy Director-General of the Joint Research Centre (PERS(2015) 129).

The Commission took note of the opinions of the Consultative Committee on Appointments of 5 and 16 February (PERS(2015) 129/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr NAVRACSICS and also Mr ANSIP, Mr KATAINEN and Mr DOMBROVSKIS, it decided to appoint Ms Maive RUTE to the post.

This decision would take effect on 16 April 2016.

6.5. DG NEIGHBOURHOOD AND ENLARGEMENT NEGOTIATIONS – APPOINTMENT OF AD15/16 DEPUTY DIRECTOR-GENERAL (PERS(2015) 106 TO /5)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Deputy Director-General with responsibility for coordination and relations with the EEA/EFTA countries, in DG Neighbourhood and Enlargement Negotiations (PERS(2015) 106 to /3).

It took note of the opinions of the Consultative Committee on Appointments of 17 February and 3 March (PERS(2015) 106/4 and /5).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr HAHN and also Ms MOGHERINI, it decided to appoint Mr Maciej POPOWSKI to the post.

This decision would take effect on 16 April 2016.

6.6. DG RESEARCH AND INNOVATION – APPOINTMENT OF AD15/16 DEPUTY DIRECTOR-GENERAL (PERS(2015) 123 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Deputy Director-General with responsibility for Human Resources, Budget and Common Support Centre in DG Research and Innovation (PERS(2015) 123).

It took note of the opinions of the Consultative Committee on Appointments of 17 February and 2 March (PERS(2015) 123/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr MOEDAS and also Mr ANSIP, Mr KATAINEN, Mr ŠEFČOVIČ and Mr DOMBROVSKIS, it decided to appoint Mr Patrick CHILD to the post.

This decision would take effect on 16 April 2016.

6.7. DG COMMUNICATION – APPOINTMENT OF AD14/15 DIRECTOR (PERS(2016) 5 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director of the 'Strategy and Corporate Communication' Directorate in DG Communication (PERS(2016) 5).

It took note of the opinions of the Consultative Committee on Appointments of 29 February and 17 March (PERS(2016) 5/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, it then decided to appoint Mr Mikel LANDABASO ALVAREZ to the post.

This decision would take effect on 16 April 2016.

6.8. DG MARITIME AFFAIRS AND FISHERIES – APPOINTMENT OF AD14/15 DIRECTOR (PERS(2014) 53 TO /4)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director of the 'Resources' Directorate in DG Maritime Affairs and Fisheries (PERS(2014) 53 and /2).

It took note of the opinions of the Consultative Committee on Appointments of 2 July 2014 and 18 February 2016 (PERS(2014) 53/3 and /4).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr VELLA and also Mr KATAINEN and Mr ŠEFČOVIČ, it decided to appoint Mr Mark JOHNSTON to the post.

This decision would take effect on 16 May 2016.

6.9. DG NEIGHBOURHOOD AND ENLARGEMENT NEGOTIATIONS – TERMINATION OF THE INTERNAL SELECTION PROCEDURE AND APPOINTMENT OF AN AD14/15 DIRECTOR (PERS(2015) 121 TO /3)

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

– to terminate internal selection procedure COM/2015/1966 for the post of Director of the 'Resources' Directorate in DG Neighbourhood and Enlargement Negotiations, without making an appointment;

– to fill that post by transferring in the interest of the service under Article 7 of the Staff Regulations, Mr Mark JOHNSTON, an AD14 official and currently Director of the 'Resources' Directorate in DG Maritime Affairs and Fisheries.

These decisions would take effect on 16 May 2016.

6.10. DG RESEARCH AND INNOVATION – CHANGES TO ORGANISATION CHART

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr MOEDAS and also Mr ANSIP, Mr KATAINEN, Mr ŠEFČOVIČ and Mr DOMBROVSKIS, the Commission decided to create the post of Deputy Director-General in DG Research and Innovation.

This decision would take effect immediately.

6.11. *JOINT RESEARCH CENTRE – ORGANISATION CHART CHANGE AND INTERNAL PUBLICATION AT GRADE AD15/16 OF THE VACANCY NOTICE FOR A DEPUTY DIRECTOR-GENERAL POST (PERS(2016) 35)*

The Commission, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr NAVRACSICS and also Mr ANSIP, Mr KATAINEN and Mr DOMBROVSKIS, decided:

– to create the post of Deputy Director-General in the Joint Research Centre;

– to authorise the publication, under Article 29(1)(a)(i) and (iii) of the Staff Regulations, of the vacancy notice for this post set out in PERS(2016) 35.

These decisions would take effect immediately.

6.12. *DG INTERPRETATION – ORGANISATION CHART CHANGE AND INTERNAL PUBLICATION AT GRADE AD15/16 OF A VACANCY NOTICE FOR A DEPUTY DIRECTOR-GENERAL POST (PERS(2016) 36)*

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, the Commission decided:

– to create the post of Deputy Director-General in DG Interpretation;

– to authorise the publication, under Article 29(1)(a)(i) and (iii) of the Staff Regulations, of the vacancy notice for this new post set out in PERS(2016) 36.

These decisions would take effect immediately.

6.13. *DG BUDGET – TERMINATION OF THE SELECTION PROCEDURE AND INTERNAL, INTERINSTITUTIONAL (AT GRADE AD14/15) AND EXTERNAL (AT GRADE AD14 – EU-28) PUBLICATION OF A VACANCY NOTICE FOR A PRINCIPAL ADVISER POST (PERS(2016) 12; PERS(2016) 33)*

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, the Commission decided:

– to terminate internal and interinstitutional selection procedure COM/2016/30 for the post of Principal Adviser in DG Budget, without making an appointment;

– to authorise the publication, under Articles 29(1)(a)(i) and (iii), 29(1)(b) and 29(2) of the Staff Regulations, of the vacancy notice set out in PERS(2016) 33 for the post of Principal Adviser in DG Budget.

These decisions would take effect immediately.

6.14. *SECRETARIAT-GENERAL / STRUCTURAL REFORM SUPPORT SERVICE – ORGANISATION CHART CHANGE AND REVISION OF THE ADMINISTRATIVE PROVISIONS FOR THE STRUCTURAL REFORM SUPPORT SERVICE (SEC(2016) 184)*

The Commission noted the information in point 14 of PERS(2016) 32/2 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, and after consulting Mr DOMBROVSKIS, decided to change the organisation chart of the Structural Reform Support Service (SRSS) and to revise the relevant budgetary and administrative provisions.

The changes and the revision would consist of the following:

– Mr DOMBROVSKIS would be responsible for coordinating the work of the SRSS on behalf of the PRESIDENT in accordance with the responsibilities entrusted to him in his mission letter;

– the SRSS would be charged with leading and coordinating the support for a specific Member State, in cooperation with other departments of the Commission, of other Member States and/or international organisations; it would focus on support for the preparation and implementation of growth-enhancing administrative and structural reforms, in particular in the context of economic governance processes, including through assistance for the efficient and effective use of the European Structural Funds;

– support from the SRSS would be granted on request from a Member State and its scale would depend on the priorities and the capacity for providing assistance;

– the SRSS would be structured in formal units pursuant to the Commission communication on the organisation charts of the Directorates-General and services of the European Commission;

– four units would be created with the Structural Reform Support Service as follows:

  - SRSS.01: 'Budget, finance and evaluation’
  - SRSS.02: ‘Governance and Public administration’

- SRSS.03: ‘Growth and business environment’
- SRSS.04: ‘Labour market, social services and health’

– the current unit SRSS.01 ‘Turkish-Cypriot Community’ would become SRSS.05 ‘Support for resolving the Cypriot question’;

– the Head of the Structural Reform Support Service would have Director-General status and the Deputy Head would have Director status; the Head of the SRSS would have the powers of authorising officer by delegation for the financial aspects related to the activity of the entity, in accordance with the internal rules on the execution of the general budget of the European Union;

– if necessary, the SRSS would be able to rely on the assistance of up to three special advisers; the opportunities offered by the ‘Active Senior Programme’ would be used;

– the SRSS would have support from across the Commission, in particular from DGs ECFIN, EMPL, REGIO, AGRI, ENER, FISMA, COMP, MARE, SANTE, TAXUD, JUST, HOME, GROW and COMM (including the Representations if necessary). The new service would in particular draw on the experience and expertise of DG ECFIN gained in recent years in supporting structural reforms in various Member States;

– for certain activities, the SRSS would have to be present in the Member State benefiting from the support or would have to go there frequently; for this part of its mission it would receive assistance from central services such as DGs COMM, DIGIT and HR; DG COMM would assist the SRSS with suitable and secure office space and associated logistical arrangements in the Member States concerned, if necessary with the dedicated support of OIB, as an exception to Article 3 of Commission Decision 2003/523/EC;

– staff recruited to work in a Member State benefiting from support would have that Member State as their place of employment; officials and other members of staff sent by the Commission to work in Member States receiving support and not assigned to a function in these Member States would be deemed to be on long-stay mission if their assignment lasted for a minimum of twelve consecutive months in the same country. This long-stay mission could be extended up to a maximum of 24 months. By derogation from the Guide to Missions (C(2008) 6215 of 18 November 2008), the daily subsistence allowance paid to staff members on such long-stay missions would be reduced to 25% of the full daily subsistence allowance paid for missions to that country; in addition, accommodation expenses would be reimbursed upon submission of the supporting documents up to a maximum of EUR 1 500 per month;

– the budgetary and administrative provisions set out in the Commission's decision of 17 June 2015 (PV(2015) 2131) were repealed; they could however continue to apply to officials, members of the temporary staff and of the contract staff, and seconded national experts already working for the SRSS on the date this decision was adopted or who were involved in a recruitment procedure and would take up their duties by16 May 2016 at the latest.

These decisions would take effect on 1 June 2016. They would be re-examined by 1 February 2017 at the latest on the basis of an analysis of any additional needs identified by the SRSS.

6.15. SECRETARIAT-GENERAL – RENEWAL OF THE TERM OF OFFICE OF THE DATA PROTECTION OFFICER AT THE COMMISSION

The Commission noted the information in point 15 of PERS(2016) 32/2 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, decided:

– to renew the term of office of the Data Protection Officer at the Commission, Mr Philippe RENAUDIERE, until 15 April 2018, a post attached to the Secretariat-General;

– to register him with the European Data Protection Supervisor.

This decision would take effect on 16 April 2016.

7. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING DIRECTIVE 2013/34/EU AS REGARDS DISCLOSURE OF INCOME TAX INFORMATION BY CERTAIN UNDERTAKINGS AND BRANCHES (COM(2016) 198 TO /3; INFO(2016) 27; SWD(2016) 117; SWD(2016) 118; SEC(2016)172; RCC(2016) 45)

Mr DOMBROVSKIS introduced the proposal on disclosure of income tax information by certain undertakings and branches, placing it in the general context of the large-scale initiatives adopted by the Commission since the start of its mandate with a view to introducing more transparent and fairer taxation in Europe, one of the major objectives laid down by the PRESIDENT in his political guidelines.

In particular, he explained that this proposal was in addition to measures to fight tax evasion, tax avoidance and money-laundering, introduced by the Commission in June 2015, which required multinational companies to publish reports on the profits they had made and the tax they had paid in each country (country-by-country reporting). He also observed that, following the recent 'Panama Papers' affair, the proposal presented to the College that day was now responding to a greater political need.

He felt that the Panama Papers would lead to a speeding up of the discussions currently under way at international level on tax transparency, the elimination of regulatory loopholes and ways of dealing with non-cooperative tax jurisdictions. While that day's proposal was ambitious, it was also realistic and appropriate, and he hoped it would receive broad political support in the Council from the Member States.

Mr MOSCOVICI agreed with Mr DOMBROVSKIS' analysis, stressing the need to take full advantage of the new political momentum created by the revelations in the Panama Papers; in his view, the public outrage caused was likely to give new impetus both to the political discussions at international level and to the positions of the EU Member States. It was therefore a good time for the Commission to submit balanced proposals to encourage the necessary paradigm shift towards greater transparency.

He went on to review the significant progress on tax transparency made at EU level in recent months, such as the swift adoption by the co-legislator of the Commission proposal on tax rulings, the conclusion of a series of agreements with certain European third countries (including Switzerland, San Marino, Andorra and Liechtenstein) to put an end to banking secrecy in Europe, and the adoption by the Commission the previous week of its VAT Action Plan.

Among the initiatives currently before the co-legislator for adoption, Mr MOSCOVICI mentioned the set of measures to combat tax avoidance proposed by the Commission in January, which he hoped would be put into effect quickly, as in his view they were in line with the people's expectations.

He also mentioned the list of non-member countries deemed to be uncooperative on tax matters, which had been drawn up in June 2015 by merging the lists of individual Member States. He acknowledged that the list was not perfect, but it had nonetheless already proved its worth. He confirmed the Commission's intention of producing a proper EU common list of non-cooperative jurisdictions, based on clear criteria, and of tabling a proposal in the next six months that would also serve as an objective basis for the identification of problem jurisdictions, as provided for in the proposal for a Directive presented at that day's meeting by Lord HILL.

Mr MOSCOVICI admitted that the proposal would probably provoke strong reactions, but felt that it demonstrated the EU’s commitment to adopt a more ambitious approach than other regions of the world while ensuring proportionality. He asked the Members of the Commission to explain it clearly, particularly in their contacts with the European Parliament.

Lord HILL described the legislative proposal presented for adoption by the College in greater detail, emphasising that its aim was to increase the transparency and fairness of income tax paid by multinational companies that were commercially active in the EU.

He outlined a number of key principles of the proposal which ensured that it was balanced, starting with the fact that it was consistent with the international framework for combating tax evasion and avoidance drawn up by the Organisation for Economic Cooperation and Development (OECD) and endorsed by the G20. He stressed that if the Commission's proposal allowed it to go further by making country-by-country reporting public, this greater transparency would enable the EU to open a pathway at global level while at the same time providing a more comprehensive response to the legitimate expectations of its citizens.

He went on to state that, to avoid any distortion of competition, the proposal covered not only European multinationals, but also those that were commercially active within the EU. Still in the interests of proportionality, he emphasised the care taken to ensure a level playing field at international level and the need to avoid imposing additional obligations on small and medium-sized enterprises (SMEs).

He also dwelt on some specific provisions in the proposal, pointing out that multinational companies with a consolidated net annual turnover of more than the threshold of EUR 750 million would in future be required to make public the income tax they paid in the form of country-by-country reporting. The threshold adopted would represent approximately 90% of the revenue of multinational companies conducting economic activities in the EU.

As for economic activities conducted in non-member countries, he observed that the proposal would allow the multinational companies concerned to return consolidated accounts, but that they would still be required to publish information on a country-by-country basis, including any activities in tax jurisdictions that did not meet international standards of good governance in tax matters, and on the basis of the future EU common list referred to by Mr MOSCOVICI.

Finally, Lord HILL added that because of the complex nature of international tax law, increasingly opaque arrangements sometimes became more important than the economic activities themselves; the measures being proposed were intended to simplify matters by introducing more public transparency and greater responsibility for multinationals, with the ultimate goal of returning to the principle of payment of tax at the place where the profits were made. In addition to the effects of greater public scrutiny, the proposal provided for the possibility of imposing penalties if the companies in question did not cooperate.

Ms JOUROVÁ pointed out that as banks and other financial institutions were already subject to stricter disclosure requirements under EU banking law they fell outside the scope of the proposal put forward by Lord HILL.

She broadly welcomed the proposal and noted the importance attached by Parliament in particular to greater public transparency as a result of country-by-country reporting by multinational companies. She hoped that the proposal would make it possible to break the deadlock in the interinstitutional negotiations on the draft Shareholder Rights Directive.

As regards the fight against money-laundering, she pointed out that, following the adoption by the co-legislator of the fourth Directive on this issue, the focus was now on ensuring its full implementation by the Member States as soon as it entered into force in spring 2017, including measures on the creation of beneficial owner registries. Finally, she confirmed that a proposal for an amendment was currently in preparation for presentation by the summer, dealing in particular with provisions on the fight against the financing of terrorism. She invited the Members of the Commission to inform her of any other points to be included in this connection.

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

- the need to take advantage of the current climate which was more conducive to a real breakthrough in matters of tax transparency and fairness following the Panama Papers revelations; a reiteration of the Commission Members' desire to contribute actively, each in their own area, to the efforts to combat tax avoidance; in addition to the initiatives mentioned, the important contribution to this overall objective that could be made by the proposal the Commission intended to present before the end of the year on the Common Consolidated Corporate Tax Base (CCCTB);

- as regards communication, the need to explain to the public that the Commission's approach aimed ultimately to correct the disproportionately small share of the European Union's gross domestic product accounted for by corporate tax, which was much lower than that of personal income tax; the role of the proposal in helping to create a system in which corporate tax made a proportionate contribution to overall tax revenue;

- the more general message that transparency about the amount of tax paid by companies and the principle of profits being taxed where they were generated formed the bedrock of a fairer, more equitable system of corporate taxation; however, an acknowledgement of the scale of the challenge facing the authorities, given that whole areas of business activity had been created with the sole aim of exploiting the loopholes in a system that was excessively complex;

- widespread support for the proposal presented by Lord HILL and for the systemic approach envisaged; the need for the Commission to use the tools at its disposal to promote progress towards its overall objective of achieving greater social equity; praise for the balanced and robust nature of the proposal; the need to pursue this positive course;

- particular support for the proposal to compel multinationals to be more transparent about their tax affairs in non-cooperating jurisdictions; the priority to be given to drawing up a common European Union list;

- the case for the European Union to lead the way in these matters at international level and the need, given the global dimension of tax avoidance, to use all possible means to persuade other regions of the world to adopt an equally ambitious approach; the need to address a number of sensitive issues in order effectively to tackle the phenomenon of tax havens and thus ensure a level playing field;

- the fact that the proposal presented by the Commission would give Member States another valuable tool to improve the effectiveness of tax collection; a reminder of the multiplier effect that could be achieved through EU direct investment in a context where the Member States, bolstered by effective collection of the tax revenue owed to them, invested in the basic infrastructure required for renewed growth and employment in Europe;

- a reminder of the benefits of the proposal in terms of fair competition between undertakings and the advantages for SMEs in particular; the major contribution which the Commission's State aid policy made to greater social equity; the objectivity of the investigations the Commission carried out in this area, in strict compliance with the legislation in force;

– the synergies that could be achieved with the European Union's development policy instruments; the need in this context to increase the capacity of the countries concerned to fight the evils of tax evasion and avoidance and money-laundering, in line with the United Nations' sustainable development goals; the powerful leverage exercised by the political dialogue between the European Union and these countries and the desire of Commission Members to play an active role in this.

The PRESIDENT thanked Lord HILL in particular for drafting this important proposal, which complemented the Commission's existing programme on fighting tax evasion and tax avoidance, while at the same time responding robustly to the demands of Europe's citizens for a more transparent, fairer tax system. He praised the overall balance of the proposal and the constructive cooperation which it had generated.

The Commission adopted the proposal for a Directive in COM(2016) 198/3 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, together with the impact assessment and the summary thereof in staff working documents SWD(2016) 117 and SWD(2016) 118, the contents of which were noted.

It also noted the opinion of the Regulatory Scrutiny Board in SEC(2016) 172 and the information note in INFO(2016) 27.

8. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL – ASSESSMENT OF GREECE’S ACTION PLAN TO REMEDY THE SERIOUS DEFICIENCIES IDENTIFIED IN THE 2015 EVALUATION ON THE APPLICATION OF THE SCHENGEN ACQUIS IN THE FIELD OF MANAGEMENT OF THE EXTERNAL BORDER
(COM(2016) 220)

9. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL – SECOND REPORT ON RELOCATION AND RESETTLEMENT (COM(2016) 222 AND /2)

At the PRESIDENT's request, Mr AVRAMOPOULOS presented two documents – the Commission's analysis of the action plan submitted by Greece to remedy the serious deficiencies identified in 2015 in the application of the Schengen *acquis* regarding management of the external border, and its second report on the relocation and resettlement of refugees, which provided an update of the measures taken by the Member States between 16 March and 11 April 2016 to deliver on the recommendations made to speed up the practical implementation of these mechanisms.

He pointed out that these two documents formed a key part of the Commission's roadmap for ending the internal border controls temporarily reintroduced by certain Member States and hence restoring normal operation of the Schengen area by the end of the year.

He turned first to Greece's action plan for remedying the serious deficiencies identified in its management of the external border. Although the country had made substantial progress, efforts were still required to set a precise timetable for certain measures and to stipulate which authorities would be responsible for implementing them. Moreover, Greece's national programme would have to be reviewed so that the priority measures could be properly financed.

On all these points Greece was being asked to provide additional information and clarification by 26 April.

On a more general note, Mr AVRAMOPOULOS said that the Commission was continuing to offer its support to Greece, but he also stressed the need to encourage the Member States to do the same.

He then pointed out that, should the migratory pressures and serious deficiencies found in external border controls persist after 12 May, the Commission would have to submit a proposal under Article 26(2) of the Schengen Borders Code in order to authorise the prolongation of controls on specific parts of internal borders for a limited period of time. If this were the case, the aim of such measures would be to safeguard the operation of the Schengen area as a whole, not to penalise or exclude any Member State.

He reported that the flow of irregular migrants from Greece had lessened considerably following the closure of its border with the former Yugoslav Republic of Macedonia (FYROM). Meanwhile, it was important to monitor closely the development of migratory flows towards Italy in the weeks ahead as well as the measures put in place by Italy in response.

Some Member States were invoking security reasons to argue that controls at internal borders could be lifted only if it were possible to keep migrants in the reception centres created for that purpose. Mr AVRAMOPOULOS pointed out that if the Member States most affected by the migratory flows agreed to receive migrants, it was vital that they were also able to obtain practical support from the other Member States in the form of measures to relocate migrants in the event of a massive influx.

On this point, Mr AVRAMOPOULOS then presented the second Commission report on the relocation and resettlement of refugees, explaining that of the 50 000 migrants present in Greece, those in an irregular situation should be returned, while those who needed protection should be relocated. He stressed that the current situation at Idomeni on the Greek-FYROM border was totally unacceptable and that more and more migrants were arriving in Italy, while actual implementation of the relocation mechanism fell far short of what was needed. In total, only 1 200 migrants had so far been relocated, compared with the target of 6 000, and since mid-March the number was fewer than 200 migrants.

Mr AVRAMOPOULOS felt that although, in time, the relocation measures would become unnecessary – as the refugees would be able to benefit from resettlement measures – they were vital at present and would remain so for as long as a large number of asylum applicants were stranded in Greece and Italy.

He stressed that the resettlement mechanism was vitally important for Europe's credibility and noted that since September only 4 555 migrants had been resettled. The Member States still took very different approaches to resettlement; they must apply the same methodology and pool their offers to resettle refugees.

The agreement on managing migratory flows concluded between the EU and Turkey on 18 March had entered into force on 4 April. Since then, 79 asylum applicants had been resettled in Turkey according to the principle that the EU would take in one refugee arriving from Turkey for every asylum applicant entering the Union illegally who was returned to Turkey. He noted that faster procedures had been put in place in close cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR) and the European Asylum Support Office (EASO).

Mr AVRAMOPOLOUS pointed out that more effective application of the EU-Turkey agreement could be encouraged by convincing the Turkish authorities that the EU fully backed its implementation on the ground, by stating clearly that there was no intention of creating a Fortress Europe, and by discouraging migrants from entering the Union illegally since there were safe and legal ways of being accepted there.

He added that Turkey had agreed that every Syrian returned there would be granted the protection guaranteed by their status and that discussions were still under way to provide the same assurances for non-Syrians.

On the question of visa liberalisation, he reported that 35 of the 72 conditions set had been met, but that implementation of these provisions would still have to be speeded up to enable full liberalisation by June 2016. On 4 May the Commission would present its third progress report on the negotiations. If all the conditions were met, the report would be accompanied by a legislative proposal to remove the visa obligation for Turkish nationals.

He noted that the Commission and the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (Frontex) were working on the ground with the Greek authorities to adapt the way in which the refugee reception and registration centres (‘hotspots’) operated and to facilitate the return of migrants from the Greek islands to Turkey. Frontex had provided the transport needed to return migrants to Turkey. 325 people who had entered the Union illegally before 20 March had been sent back from Greece to Turkey. This meant that, in total, 1 292 people had been sent back under this procedure in 2016, compared with 8 in 2015. For those who had lodged an asylum application in Greece, the return to Turkey had still to be implemented.

Ms MOGHERINI stressed the importance of maintaining an overview of the migratory flows and of examining forthwith the measures to be taken to cope with the increase in migrants arriving in the central Mediterranean. For that reason she would soon be visiting the island of Lampedusa. She noted that the EU's increased presence in the Mediterranean made it possible to reduce the number of refugees shipwrecked at sea and mentioned the need to pursue cooperation with African partners on improving the management of flows and returns, following the example of the constructive talks on migration held between the European Commission and the African Union Commission in Addis Ababa on 7 April.

Nevertheless, she advised the Members of the Commission to adopt a cautious approach regarding the possibility of concluding with Libya an agreement similar to that reached with Turkey, given the insecure situation in Libya.

She therefore highlighted the importance of establishing an effective migrant return policy, while putting into practice the principle of solidarity between

Member States, this being the only way of ensuring that the flows of migrants to the Union were well managed.

Ms MOGHERINI would have the opportunity of discussing these matters with ministers from the Member States at the forthcoming Foreign Affairs Council on 18 April, during which she would also talk about stepping up the EU's presence in the Mediterranean.

She was also considering other options, in particular the possibility of cooperating with Iran, for example in the management of Afghan refugees on its territory. She would be raising this issue with the Iranian authorities during her forthcoming visit to Teheran.

Mr STYLIANIDES felt that implementation of the agreement with Turkey was of key importance for the EU's credibility. He also noted that unless Europe displayed solidarity with Libya, the flow of migrants from that country would only increase. He pointed out that, despite the support of the Commission – together with the UNHCR – the humanitarian situation in Greece was still fragile, and the relocation and resettlement mechanisms based on solidarity between Member States needed to be applied swiftly and in full.

Mr HAHN pointed to the importance of stepping up checks at the Union's external borders, in particular its sea borders. This matter would also be discussed with the Member States' defence ministers.

Mr AVRAMOPOULOS noted that the Commission proposal to set up a European Border and Coast Guard was making satisfactory progress in the Council and the European Parliament. He argued that an integrated border control system would make it easier to adapt to the constant changes in illegal immigration routes.

He also thought it worth considering using available funds to support the contribution made by transit countries and countries bordering on Libya to the management of migratory flows.

In his view, management of the migration crisis needed to be internationalised so that countries such as Canada, Australia and Argentina could help to resolve it.

Finally, he stressed the importance of the Member States acting in concert and displaying solidarity by assuming their share of responsibility for taking in refugees, so that the EU could honour its international obligations and defend its values in terms of fundamental rights and respect for human dignity.

Following this exchange of views, the Commission:

– approved the communication in COM(2016) 220, for transmission to the Council and, for information, to the European Parliament and the national parliaments;

– approved the report in COM(2016) 222/2, for transmission to the European Parliament, the European Council and the Council and, for information, to the national parliaments.

10. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL – STATE OF PLAY OF THE SITUATION OF NON-RECIPROCITY WITH CERTAIN THIRD COUNTRIES IN THE AREA OF VISA POLICY AND POSSIBLE WAYS FORWARD (COM(2016) 221 AND /2)

Mr AVRAMOPOULOS opened the debate on the communication reporting on the state of play and possible ways forward as regards the situation of non-reciprocity with certain third countries in the area of visa policy. Although full reciprocity had been achieved with Australia and Japan in June and December 2015 respectively, the United States, Canada and Brunei continued to apply visa requirements for citizens of some EU Member States, despite their citizens benefiting from an EU-wide visa waiver. Moreover, visa waiver reciprocity was a principle of the EU's common visa policy and, under EU rules adopted by the European Parliament and Council in 2001, a third country's failure to correct non-reciprocity within 24 months could be cause for suspending the visa waiver for its citizens.

Nonetheless, Mr AVRAMOPOULOS felt that such a decision should take into account the consequences of a suspension for the external relations of the EU and its Member States. He explained that a reintroduction of visas for EU citizens visiting the US would lead to no fewer than 8 million additional visa applications and an extra cost of some €2.5 billion for citizens who currently benefited from visa waivers. Estimates put the potential number of visa applications from US citizens visiting the EU at 10 million per year should the waiver be suspended, leading to a substantial increase in workload for Member States' consular services, quite apart from the impact on the tourism industry.

He therefore believed that talks should continue with the countries in question in order to reach viable solutions, given that a reintroduction of visa requirements would be harmful to both parties, though without compromising the fundamental principle of visa waiver reciprocity.

With this in mind, the Commission, as the guardian of the Treaties, asked Parliament and the Council to open talks as a matter of urgency, to decide on the best way of proceeding in the light of the evaluation presented in the communication, and to notify it of their respective positions by 12 July at the latest.

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

- the many disadvantages that suspending the visa waiver would have for all parties involved;

- the need for the EU to negotiate with the various relevant third countries on an equal footing;

- the need, in this context, to acknowledge the efforts made by Member States that did not benefit from a visa waiver to meet all criteria in relation to the relevant third countries;

- the importance of appropriate communication emphasising the political, economic and administrative consequences that suspending the visa waiver would have for relations between the EU and these countries;

- the potential major repercussions of suspending the visa waiver on the ongoing negotiations with the US on the Transatlantic Trade and Investment Partnership (TTIP);

- the need to rapidly establish a close partnership with all parties involved and to set up working groups tasked with identifying viable, durable solutions to the situation of non-reciprocity in the area of visa policy;

- for some Members, the difficulty of wholeheartedly defending visa reciprocity in the context of the terrorist attacks in the EU and while the Schengen Area appeared to be threatened by the migration crisis;

- the importance of re-establishing the Schengen system in order to defend visa waiver reciprocity.

Ms MOGHERINI closed the debate, stating her belief that solutions could be found to the situation of non-reciprocity in the area of visa policy with Canada, but that this could prove much more difficult with the US given the ongoing election campaign. She referred to the considerable potential economic and political repercussions of suspending the visa waiver and its negative impact on the ongoing negotiations with the US on the Transatlantic Trade and Investment Partnership. She confirmed that the Commission would return to this question after 12 July (the deadline stated in the communication) and after having heard the views of Parliament and the Council.

The Commission approved the communication in COM(2016) 221/2, for transmission to the European Parliament and the Council and, for information, to the national parliaments.

11. OTHER BUSINESS

STATE OF PLAY OF THE IMPLEMENTATION OF THE ASSISTANCE PROGRAMME FOR GREECE LOOKING AHEAD TO THE SPRING MEETING OF THE INTERNATIONAL MONETARY FUND (WASHINGTON, 15-17 APRIL 2016)

Mr DOMBROVSKIS briefed the Commission on the state of play of discussions with Greece to conclude the first evaluation of the aid programme awarded to the country under the European Stability Mechanism (ESM). He noted that Greece had made considerable progress in terms of reforms in recent years and stressed that the conclusion of negotiations on this first evaluation would nonetheless serve as a test. Close, regular dialogue had been established between the Greek authorities and the Commission based on the Memorandum of Understanding signed in August 2015, and discussions focused mainly on the measures to be taken to achieve the medium-term budget target of a primary surplus of 3.5% of GDP by 2018, through reforms to pensions and income tax, the strategy to be adopted on Non-Performing Loans, privatisations and the new privatisation fund, and the opening up to competition of the energy and gas markets. In all of these areas, key measures were yet to be implemented and the results so far were mixed.

He pointed out that, as a result, the Greek government would have to take difficult but necessary decisions to allow the Greek economy to return to growth on solid foundations. The implementation of these decisions would demonstrate Greece's commitment to its creditors and allow it to take ownership of the reform programme.

Mr DOMBROVSKIS also referred to the differing views of the Commission and the International Monetary Fund (IMF) on the impact of the measures taken by Greece and, in turn, the measures needed to achieve the agreed budget targets. He felt that the IMF held a more pessimistic view of the outcome of the Greek reforms and recommended a more modest budget surplus objective of around 1.5% of GDP, which therefore justified considering debt relief that would be borne in full by the Member States.

He concluded by saying that the negotiations had been interrupted ahead of the meeting of G20 finance ministers and central bank governors in Washington on 13 and 14 April, but would resume next week. The G20 meeting would undoubtedly be an opportunity for the EU and the IMF to reconcile their positions.

Mr MOSCOVICI expressed his intention to resume negotiations with the Greek authorities the following Monday in order to reach an agreement in early May and thus avoid talks running into July, in a climate that would be far more tense. He explained that all parties involved wanted the IMF to take part in the programme, but stressed that the EU was not prepared to consider debt relief for Greece.

Throughout the negotiations, the Commission, Greece and the IMF had worked within the parameters established in the Memorandum of Understanding signed last August. He felt it important to avoid looking at the situation from an exclusively short-term budget deficit point of view, as this would pose a risk to growth prospects and the adoption of the necessary structural reforms, and could end up being counter-productive for the completion of the first evaluation of the programme, especially since the Greek economy had responded better than expected despite the difficulties and capital controls.

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

- the need to conclude the first evaluation of the European Stability Mechanism programme awarded to Greece by July, to avoid negotiations taking a dramatic turn;
- questions on the outcome of the privatisation programme implemented in Greece;
- questions on those parameters set out in the Memorandum of Understanding that had been followed and those that had not;
- for some Members, the ambiguous role of the IMF, which called for unrealistic macroeconomic targets for Greece while recommending debt reduction.

Mr DOMBROVSKIS noted that the package of reforms implemented by Greece should have been examined for the first time last autumn, and that the evaluation was delayed as a result. He stressed that talks were mainly focused on reducing the deficit and public debt, explaining that, in this context, Greece aimed to make the most of its pension reform by adopting a more ambitious approach. As regards debt relief, he believed that there would have to be some convergence between the views of the Commission and the IMF, which were far apart as things stood, for an agreement to be reached. He felt it necessary for the IMF to continue its involvement in the aid programme for Greece.

Mr MOSCOVICI concluded that a combination of resolve and ingenuity were called for in order to gradually reach an agreement. He also noted that the statistics to be published shortly by the EU's Statistics Office, Eurostat might iron out the differences between the views of the IMF and the Commission.

The Commission took note of this information.

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The meeting closed at 15.10