



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2018) 2273 final

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

Brussels, 19 December 2018

TEXTE EN

MINUTES

of the 2273rd meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 21 November 2018 (morning)

and

Thursday 22 November 2018 (morning)

PV(2018) 2273 final

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

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The 2273rd meeting of the Commission was held in two parts:

- Wednesday 21 November 2018 (morning)
- Thursday 22 November 2018 (morning)

First sitting: Wednesday 21 November 2018 (morning)

The sitting opened at 9.47 with Mr JUNCKER, President, in the chair. Item 11 was chaired in part by Mr TIMMERMANS.

Present:

Mr JUNCKER	President	Items 1 to 11 (in part)
Mr TIMMERMANS	First Vice-President	
Ms MOGHERINI	High Representative / Vice-President	Items 1 to 11 (in part)
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	Items 1 to 11 (in part)
Mr KATAINEN	Vice-President	Items 1 to 11 (in part)
Mr OETTINGER	Member	
Mr HAHN	Member	Items 7/10 (in part) and 11
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSEN	Member	Items 1 to 11 (in part)
Mr MOSCOVICI	Member	Items 1 to 10
Mr STYLIANIDES	Member	
Mr HOGAN	Member	Items 1 to 7/10 (in part)
Ms BULC	Member	

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Ms BIENKOWSKA	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	Items 1 to 6
Ms VESTAGER	Member	
Sir Julian KING	Member	
Ms GABRIEL	Member	

Absent:

Ms JOUROVÁ

Member

Mr MOEDAS

Member

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

Ms NIKOLAY	Chef de cabinet to Ms JOUROVÁ
Ms DEL BRENNA	Deputy Chef de cabinet to Mr MOEDAS

The following also sat in:

Ms MARTÍNEZ ALBEROLA	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	
Ms METTLER	Head of the European Political Strategy Centre	
Ms GAUER	Deputy Secretary-General	Items 1 to 11 (in part)
Mr SZOSTAK	Deputy Chef de cabinet to the PRESIDENT	Items 1 to 11 (in part)
Ms DEJMEK HACK	Adviser in the PRESIDENT's Office	Items 1 to 6
Mr THOLONIAT	Adviser in the PRESIDENT's Office	Items 7 to 10
Ms SILLAVEE	PRESIDENT's Office	
Mr WYNANDS	Chef de cabinet to Mr DOMBROVSKIS	Items 7 to 10
Mr HAGER	Chef de cabinet to Mr OETTINGER	Item 11
Ms BERNAERTS	Chef de cabinet to Ms THYSSEN	Items 7 to 10
Mr BAILLY	Chef de cabinet to Mr MOSCOVICI	Items 7 to 10
Mr LATOUDIS	Deputy Chef de cabinet to Ms CREȚU	Items 7 to 11
Mr HAAG	Secretariat-General	Items 7 to 10
Mr SNELS	Secretariat-General	
Ms ANDREEVA	Commission Spokesperson's Service	
Mr BARNIER	Chief negotiator and Head of the Article 50 Task Force	Items 1 to 6
Mr BUTI	Director-General, DG Economic and Financial Affairs	Items 7 to 10

Secretary: Mr SELMAYR, Secretary-General, for items 1 to 10, and Ms AHRENKILDE HANSEN, Deputy Secretary-General, for item 11, both assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General.

1. AGENDAS

(OJ(2018) 2273/FINAL; SEC(2018) 2273)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings. It also took note of the addition of item 11.1 (on an administrative decision) to that day's agenda.

2. WEEKLY MEETING OF CHEFS DE CABINET

(RCC(2018) 2273)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 19 November 2018.

3. APPROVAL OF THE MINUTES OF THE 2271ST AND 2272ND MEETINGS OF THE COMMISSION (7 AND 13 NOVEMBER 2018)

The Commission held over approval of the minutes of its 2271st and 2272nd meetings for a later meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2018) 153)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 16 November 2018 (RCC(2018) 153).

It paid particular attention to the following points.

4.1. JOINT STATEMENT ON THE LEGISLATIVE PRIORITIES OF THE EUROPEAN UNION

- i) Discontinuing of seasonal changes of time and repeal of Directive 2000/84/EC (Directive) – ULVSKOG report – 2018/0332 (COD)**

The Commission took note of the information in SI(2018) 634.

4.2. LEGISLATIVE MATTERS

ii) Trilogues

(point 3.1 of the IRG record)

- Work-life balance for parents and carers and repeal of Council Directive 2010/18/EU (Directive) – CASA report – 2017/0085 (COD)

The Commission approved the line set out in SI(2018) 617/2.

- Transparent and predictable working conditions in the European Union (Directive) – CALVET CHAMBON report – 2017/0355 (COD)

The Commission approved the line set out in SI(2018) 643.

- European Union Agency for the Cooperation of Energy Regulators (Regulation – recast) – PETERSEN report – 2016/0378 (COD)

The Commission approved the line set out in SI(2018) 629.

- Unfair trading practices in business-to-business relationships in the food supply chain (Directive) – DE CASTRO report – 2018/0082 (COD)

The Commission approved the line set out in SI(2018) 622 and /3.

- Definition, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other

foodstuffs and the protection of geographical indications for spirit drinks
(Regulation) – AYUSO report – 2016/0392 (COD)

The Commission approved the line set out in SI(2018) 623 and /2.

- Mutual recognition of goods lawfully marketed in another Member State
(Regulation) – ŠTEFANEK report – 2017/0354 (COD)

The Commission approved the line set out in SI(2018) 618.

- Amendment of Decision 1313/2013/EU on a Union Civil Protection
Mechanism (Decision) – GARDINI report – 2017/0309 (COD)

The Commission approved the line set out in SI(2018) 619/4.

- Import of cultural goods (Regulation) – MOSCA & DALTON report –
2017/0158 (COD)

The Commission approved the line set out in SP(2018) 627 and /2.

- Amendment of Regulation (EU) 952/2013 laying down the Union
Customs Code (Regulation) – SELIMOVIC report – 2018/0123 (COD)

The Commission approved the line set out in SI(2018) 612.

- Amendment of Regulation (EU) 952/2013 to prolong the transitional use
of means other than the electronic data-processing techniques provided
for in the Union Customs Code (Regulation) – SELIMOVIC report –
2018/0040 (COD)

The Commission approved the line set out in SI(2018) 636/2.

- Safeguarding of competition in air transport, and repeal of Regulation
(EC) 868/2004 (Regulation) – PIEPER report – 2017/0116 (COD)

The Commission approved the line set out in SI(2018) 633.

- Port reception facilities for the delivery of waste from ships, repeal of Directive 2000/59/EC and amendment of Directive 2009/16/EC and Directive 2010/65/EU (Directive) – MEISSNER report – 2018/0012 (COD)

The Commission approved the line set out in SI(2018) 632.

iii) Council dossiers

(point 3.3 of the IRG record)

- Rules and procedures for compliance with and enforcement of Union harmonisation legislation on products and amendment of Regulations (EU) 305/2011, (EU) 528/2012, (EU) 2016/424, (EU) 2016/425, (EU) 2016/426 and (EU) 2017/1369 of the European Parliament and of the Council, and Directives 2004/42/EC, 2009/48/EC, 2010/35/EU, 2013/29/EU, 2013/53/EU, 2014/28/EU, 2014/29/EU, 2014/30/EU, 2014/31/EU, 2014/32/EU, 2014/33/EU, 2014/34/EU, 2014/35/EU, 2014/53/EU, 2014/68/EU and 2014/90/EU of the European Parliament and of the Council (Regulation) – DANTI report – 2017/0353 (COD)

The Commission took note of document SI(2018) 597.

- Amendment of Council Regulation (EU) 2015/1588 of 13 July 2015 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of horizontal State aid (Council Regulation) – LOONES report – 2018/0222 (NLE)

The Commission approved the line set out in SI(2018) 631/2.

- Opening of and provision for the management of autonomous Union tariff quotas for certain fishery products for the period 2019-2020 (Council Regulation) – 2018/0326 (NLE)

The Commission approved the line set out in SI(2018) 635.

- Rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences and repeal of Council Decision 2000/642/JHA (Directive) – RADEV report – 2018/0105 (COD)

The Commission took note of the information in SI(2018) 640/2.

- Financial regulation applicable to the 11th European Development Fund (Council Regulation) – 2018/0259 (NLE)

The Commission approved the line set out in SI(2018) 642.

4.3. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iv) Programming of Council business (SI(2018) 645)

The Commission took note of the information in SI(2018) 645 on the Council meetings between 22 November and 5 December 2018.

v) Non-legislative dossiers (point 4.1 of the IRG record)

- Draft Council Declaration on the fight against antisemitism and the development of a common security approach to better protect Jewish communities and institutions in Europe

The Commission approved the line indicated in SI(2018) 620.

- Opening of negotiations on amending the Treaty establishing the Energy Community (Council Decision) – COM(2017) 462

The Commission approved the line set out in SI(2018) 630.

- Southern Indian Ocean Fisheries Commission (SIOFA) – Participation of Somaliland

The Commission approved the line set out in SI(2018) 638.

- Global Compact for Safe, Orderly and Regular Migration – Commission intervention at the Intergovernmental Conference in Marrakesh, 10 and 11 December 2018

The Commission approved the line set out in SI(2018) 641/2.

4.4. RELATIONS WITH PARLIAMENT

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

(SP(2018) 737)

The Commission decided to empower the Members of the Commission responsible for the sectors in question, in agreement with the PRESIDENT and Mr TIMMERMANS and, if necessary, with the other Members concerned, to adopt the amended proposals for transmission to Parliament and the Council, as set out in SP(2018) 737, drawn up following the part-session of Parliament of 12 to 15 November 2018, the contents of which were noted.

vii) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its October I and II 2018 part-session

(point 5.6.2 of the IRG record)

The Commission approved for transmission to Parliament document SP(2018) 755 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its October I and II 2018 part-sessions.

viii) Results of Parliament's November I 2018 part-session

(point 5.8.1 of the IRG record)

The Commission took note of the information on the proceedings of the part-session of Parliament held in Strasbourg from 12 to 15 November 2018, as set out in SP(2018) 725.

ix) Preparation of the 36th African, Caribbean and Pacific-EU Joint Parliamentary Assembly (ACP-EU) (Cotonou, 3 to 5 December 2018) – Follow-up to the oral questions

(point 5.9 of the IRG record)

The Commission approved the replies to the oral questions from the Joint Parliamentary Assembly set out in SP(2018) 752, for transmission to the Assembly.

x) Preparation of the 36th African, Caribbean and Pacific-EU Joint Parliamentary Assembly (ACP-EU) (Cotonou, 3 to 5 December 2018) – Follow-up to the resolutions adopted at the 35th Parliamentary Joint Assembly (Brussels, 18 to 20 June 2018)

(point 5.10 of the IRG record)

The Commission approved the replies to the resolutions adopted by the Joint Parliamentary Assembly set out in SP(2018) 753, for transmission to the Assembly.

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

xi) Action taken on the Contribution of the 59th Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (Sofia, 17 to 19 June 2018)

(point 6.1.3 of the IRG record)

The Commission approved document SNP(2018) 16 containing its reply to the Contribution of the 59th Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC) for transmission to the Presidency of COSAC.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2018) 458 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 November 2018.

5.2. EMPOWERMENT (SEC(2018) 459 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 November 2018.

5.3. DELEGATION / SUBDELEGATION OF POWERS (SEC(2018) 460 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 12 and 16 November 2018 archived in Decide.

5.4. SENSITIVE WRITTEN PROCEDURES (SEC(2018) 461 TO /3)

The Commission took note of the sensitive written procedures for which the time limit expired between 19 and 23 November 2018 and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on Monday 19 November 2018.

6. OTHER BUSINESS

STATE OF THE NEGOTIATIONS WITH A VIEW TO CONCLUDING AN AGREEMENT WITH THE UNITED KINGDOM SETTING OUT THE ARRANGEMENTS FOR ITS WITHDRAWAL FROM THE UNION UNDER ARTICLE 50 OF THE TREATY ON EUROPEAN UNION, AND THE POLITICAL DECLARATION SETTING OUT THE FRAMEWORK FOR THE FUTURE RELATIONSHIP BETWEEN THE EUROPEAN UNION AND THE UNITED KINGDOM

The PRESIDENT invited Mr BARNIER to inform the College of the latest developments in the negotiations the Commission was conducting on behalf of the Union with the United Kingdom with a view to its withdrawal under Article 50 of the Treaty on European Union, and to report on the work carried out on the draft political declaration setting out the framework for the future relationship between, the European Union and the United Kingdom.

He reminded the College that, on 14 November, the Commission had endorsed the results of the negotiations relating to the withdrawal of the United Kingdom from the European Union and the European Atomic Energy Community.

The PRESIDENT stated that he would meet the British Prime Minister, Theresa May, at the end of the day in Brussels. He would then forward the draft political statement, once finalised and endorsed by the Commission, to the President of the European Council, Donald Tusk, in order for the EU leaders to be able to approve it at the special meeting of the European Council (Article 50) on 25 November.

The Commission took note of this information.

7. **EUROPEAN SEMESTER OF ECONOMIC AND BUDGETARY POLICY COORDINATION FOR 2019 – COMMUNICATION FROM THE COMMISSION 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 – ANNUAL GROWTH SURVEY 2019: FOR A STRONGER EUROPE IN THE FACE OF GLOBAL UNCERTAINTY (COM(2018) 770 AND /2; RCC(2018) 150; RCC(2018) 154)**
8. **EUROPEAN SEMESTER OF ECONOMIC AND BUDGETARY POLICY COORDINATION FOR 2019 – RECOMMENDATION FOR A COUNCIL RECOMMENDATION ON THE ECONOMIC POLICY OF THE EURO AREA (COM(2018) 759 AND /2; SWD(2018) 467 AND /2; RCC(2018) 150; RCC(2018) 154)**
9. **EUROPEAN SEMESTER OF ECONOMIC AND BUDGETARY POLICY COORDINATION FOR 2019 – REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE – ALERT MECHANISM REPORT 2019 (COM(2018) 758 AND /2; SWD(2018) 466; RCC(2018) 150; RCC(2018) 154)**
10. **EUROPEAN SEMESTER OF ECONOMIC AND BUDGETARY POLICY COORDINATION FOR 2019 – DRAFT JOINT EMPLOYMENT REPORT FROM THE COMMISSION AND THE COUNCIL ACCOMPANYING THE COMMUNICATION FROM THE COMMISSION ON THE ANNUAL GROWTH SURVEY 2019 (COM(2018) 761 AND /2; RCC(2018) 150; RCC(2018) 154)**

At the PRESIDENT's invitation, Mr DOMBROVSKIS, Ms THYSEN and Mr MOSCOVICI presented the set of documents which the Commission was preparing to adopt as part of the new economic, social and budgetary policy

coordination cycle – the 2019 European Semester.

They pointed out that this package of texts was based on the economic forecasts that the Commission had published in autumn 2018 and on the priorities in the State of the Union speech that the PRESIDENT had given to the European Parliament in September. This package consisted of a general part – (i) the Annual Growth Survey, (ii) the Alert Mechanism Report, (iii) the draft Joint Employment Report and (iv) the Recommendation on the economic policy of the euro area – and a budgetary part – (v) the 19 Commission opinions on the draft budgetary plans submitted to it by the euro area Member States, including Greece, which was coming under the European Semester exercise for the first time, and (vi) a number of decisions under the Stability and Growth Pact. They explained that the budgetary part of the package would be adopted at 12.00 that day by special written procedure, as provided for in Article 12(5) of the Commission's Rules of Procedure. The relevant procedures had been launched on Monday 19 November.

Following these presentations, the Commission:

- approved the Communication on the Annual Growth Survey 2019 in COM(2018) 770/2, 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;
- adopted the recommendation for a Council recommendation on the economic policy of the euro area set out in COM(2018) 759/2, for transmission to the Council and, for information, to the European Parliament, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions, the European Investment Bank and the national parliaments, together with the staff working document distributed as SWD(2018) 467/2, the contents of which were noted;
- approved the 2019 Alert Mechanism Report in COM(2018) 758/2, for

transmission to the European Parliament, the Council, the European Central Bank and the European Economic and Social Committee and, for information, to the Committee of the Regions, the European Investment Bank and the national parliaments, together with the staff working document distributed as SWD(2018) 466, the contents of which were noted;

- approved the draft Joint Employment Report from the Commission and the Council in COM(2018) 761/2, 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.

In addition, in the same autumn package of the European Semester for the coordination of economic and budgetary policies for 2019, the Communication on enhanced surveillance for Greece, the report to the Council under Article 126(3) of the Treaty on the Functioning of the European Union concerning Italy, the 6 acts – recommendations and reports – on the procedures linked to compliance with the Stability and Growth Pact concerning Hungary and Romania, as well as the Communication on the global assessment of the draft budgetary plans and the 19 opinions of the Commission on the draft budgetary plans of the euro area Member States were also adopted by written procedure under Article 12(5) of the Commission's Rules of Procedure, the deadlines for which were 12 noon on Wednesday 21 November 2018 (respectively COM(2018) 808 and SWD(2018) 508 (PE/2018/8405), COM(2018) 809 (PE/2018/8443), COM(2018) 804 (PE/2018/8192), COM(2018) 805 and SWD(2018) 504 (PE/2018/8189), COM(2018) 806 and SWD(2018) 504 (PE/2018/8190), COM(2018) 801 (PE/2018/8193), COM(2018) 802 and SWD(2018) 503 (PE/2018/8194), COM(2018) 803 and SWD(2018) 503 (PE/2018/8195), COM(2018) 807 (PE/2018/8404), C(2018) 8013 (PE/2018/8248) Germany, C(2018) 8010 (PE/2018/8185) – Austria, C(2018) 8011 (PE/2018/8245) – Belgium, C(2018) 8012 (PE/2018/8199) – Cyprus, C(2018) 8015 (PE/2018/8239) – Spain, C(2018) 8014 (PE/2018/8196) – Estonia, C(2018) 8017 (PE/2018/8186) –

Finland, C(2018) 8018 (PE/2018/8243) – France, C(2018) 8016 (PE/2018/8279) – Greece, C(2018) 8019 and SWD(2018) 516 (PE/2018/8240) – Ireland, C(2018) 8028 (PE/2018/8442) – Italy, C(2018) 8022 (PE/2018/8197) – Latvia, C(2018) 8020 (PE/2018/8198) – Lithuania, C(2018) 8021 (PE/2018/8252) – Luxembourg, C(2018) 8023 (PE/2018/8187) – Malta, C(2018) 8025 (PE/2018/8250) – Netherlands, C(2018) 8024 (PE/2018/8244) – Portugal, C(2018) 8026 (PE/2018/8251) – Slovenia, C(2018) 8027 (PE/2018/8241) – Slovakia).

11. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2018) 462/2)

BUDGETARY MATTERS

11.1. DRAFT GENERAL BUDGET OF THE EUROPEAN UNION FOR 2019

Mr OETTINGER informed the College of the progress made in the negotiations with Parliament and the Council on the draft general budget of the Union for 2019 proposed by the Commission in May 2018; the draft budget amounted to EUR 165 billion in commitment appropriations and EUR 148 billion in payment appropriations, equating to 1 % and 0.9 % respectively of the Union's gross national income. Conciliation meetings had been held on 7, 16 and 19 November in conjunction with an Economic and Financial Affairs Council devoted to the 2019 budget.

He pointed out that Parliament and the Council shared the same priorities for 2019, namely to stimulate growth, support youth employment, manage the Union's external borders effectively and contribute to the integration of migrants. As regards the EUR 3 billion in funding earmarked for the Facility for Refugees in Turkey, he reminded the meeting that an agreement had been reached whereby EUR 2 billion would be financed from the Union

budget and EUR 1 billion would be provided by the Member States, whereas it was originally planned that the Union budget would provide EUR 1 billion only and that the Member States would contribute EUR 2 billion to the Facility. Parliament had to a certain extent found itself in the position of an observer during these talks. Furthermore, Parliament considered that the additional one billion euros that would come out of the Union budget to finance the Facility for Refugees in Turkey would be better used for its own priorities, namely Horizon 2020, Erasmus+ and the Youth Employment Initiative.

Since there was no longer sufficient flexibility in the Union budget to finance an increase in the budgets allocated to those priorities, Mr OETTINGER explained that the Commission had proposed to apply a provision of the recently adopted Financial Regulation, namely Article 15(3), which allowed for amounts that had not been used in preceding years to be reallocated to research projects. Although Parliament and the Council had supported this provision during the adoption process for the new Financial Regulation, the Council was reluctant to apply it, while Parliament wanted guarantees regarding the financing of the programmes and measures it felt were priorities. He pointed out that those were the main reasons why an agreement had not been reached during the conciliation process, despite the efforts made by the Commission to help secure a compromise. Reallocating commitment appropriations that had not been used in preceding years to research programmes would also make it possible to regain the requisite budgetary flexibility to increase the amounts allocated to actions that were considered a priority by Parliament, particularly Horizon 2020 and Erasmus+.

The formal conciliation process having now come to an end, Mr OETTINGER explained that the process would have to begin again and that the Commission was actively working on new compromise formulas. He announced that he would request empowerment from the College at its meeting of 28 November in order to table new proposals on 30 November. A

trilogue could then take place on 4 and 6 December and the agreement reached could be approved, for the Council, at the meeting of the Committee of Permanent Representatives on 7 December, and for Parliament at its plenary session of 12 December.

Although he considered it probable that an agreement would be reached, Mr OETTINGER noted that, if a budget was not adopted for 2019, the Union would have to decide to implement the system of provisional twelfths as of January.

The Commission took note of this information.

ADMINISTRATIVE MATTERS

11.2. COMMUNICATION TO THE COMMISSION – STREAMLINING AND STRENGTHENING CORPORATE GOVERNANCE WITHIN THE EUROPEAN COMMISSION

(C(2018) 7704; INFO(2018) 71)

11.3. COMMISSION DECISION ON THE CORPORATE MANAGEMENT BOARD

(C(2018) 7706; INFO(2018) 71)

11.4. COMMUNICATION TO THE COMMISSION – UPDATE OF THE CHARTER OF THE AUDIT PROGRESS COMMITTEE OF THE EUROPEAN COMMISSION

(C(2018) 7707; INFO(2018) 71)

11.5. COMMUNICATION TO THE COMMISSION – EUROPEAN COMMISSION DIGITAL STRATEGY – A DIGITALLY TRANSFORMED, USER-FOCUSED AND DATA-DRIVEN COMMISSION

(C(2018) 7118 TO /4) INFO(2018) 71)

**11.6. COMMUNICATION TO THE COMMISSION – GOVERNANCE IN THE
EUROPEAN COMMISSION**

(C(2018) 7703 AND /2; INFO(2018) 71)

**11.7. COMMUNICATION TO THE COMMISSION ON REVISION OF
ADMINISTRATIVE ARRANGEMENTS ON CO-OPERATION AND A
TIMELY EXCHANGE OF INFORMATION BETWEEN THE
EUROPEAN COMMISSION AND THE EUROPEAN ANTI-FRAUD
OFFICE**

(C(2018) 7705; INFO(2018) 71)

Mr OETTINGER presented to the College for approval the set of measures designed to modernise internal governance in the Commission.

He reminded the meeting that the Commission was currently governed by principles dating from the last administrative reform that applied from 2000 onwards. Those principles needed to be adapted. Furthermore, the measures proposed took account of a number of recommendations made by the European Court of Auditors and the Commission's internal audit service, which had carried out several audits of the Commission's organisation.

The set of measures was principally designed to modernise and simplify the Commission's governance, while at the same time clarifying the division of responsibilities between the political level, i.e. the College as the decision-making body, and the administrative and operational level, responsible for the day-to-day management of the institution and preparing Commission decisions. He pointed out that, in these provisions, no decision-making powers were transferred and that the College would continue to have general political responsibility for the institution's actions.

Mr OETTINGER also noted that the improvements to the Commission's governance were in particular designed to bolster coordination, advisory tasks and oversight. Specifically, the Commission's Corporate Management Board

had been given a new mandate and was to become the central management body responsible for ensuring coordination and oversight of the work, as well as for giving strategic advice and guidance on organisational and management-related matters.

Furthermore, he indicated that the IT Board would have more wide-reaching powers, since it would be tasked with defining a clear IT strategy for the Commission and overseeing its IT security and equipment purchasing policy.

Mr TIMMERMANS felt that these measures would be essential in terms of adapting the way the Commission operated to the development of digital technologies. The measures would strengthen risk management as well as revise the administrative arrangements regarding cooperation and the sharing of information between the European Commission and the European Anti-Fraud Office (OLAF). He concluded by stressing that this governance reform would have to preserve the Commission's unique and original character.

The Commission approved the communications in C(2018) 7704, C(2018) 7707, C(2018) 7118/4, C(2018) 7703/2 and C(2018) 7705 and adopted the decision in C(2018) 7706.

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The first sitting closed at 11.53.

Second sitting: Thursday 22 November 2018 (morning)

The sitting opened at 10.05 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President
Mr ŠEFČOVIČ	Vice-President
Mr KATAINEN	Vice-President
Ms MALMSTRÖM	Member
Mr MIMICA	Member
Mr ARIAS CAÑETE	Member
Mr VELLA	Member
Mr ANDRIUKAITIS	Member
Ms THYSSEN	Member
Ms BULC	Member
Ms BIENKOWSKA	Member
Ms VESTAGER	Member
Sir Julian KING	Member

Absent:

Mr TIMMERMANS	First Vice-President
Ms MOGHERINI	High Representative / Vice-President
Mr ANSIP	Vice-President
Mr DOMBROVSKIS	Vice-President
Mr OETTINGER	Member
Mr HAHN	Member
Mr AVRAMOPOULOS	Member
Mr MOSCOVICI	Member
Mr STYLIANIDES	Member
Mr HOGAN	Member
Ms JOUROVÁ	Member
Mr NAVRACSICS	Member
Ms CREȚU	Member
Mr MOEDAS	Member
Ms GABRIEL	Member

The following also sat in:

Ms MARTÍNEZ ALBEROLA	Chef de cabinet to the PRESIDENT
Mr ROMERO REQUENA	Director-General, Legal Service
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission
Ms AHRENKILDE HANSEN	Deputy Secretary-General
Ms GAUER	Deputy Secretary-General
Mr SZOSTAK	Deputy Chef de cabinet to the PRESIDENT
Ms DEJMEK HACK	Adviser in the PRESIDENT's Office
Ms SILLAVEE	PRESIDENT's Office
Mr SNELS	Secretariat-General
Mr BARNIER	Chief negotiator and Head of the Article 50 Task Force

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

12. OTHER BUSINESS (CONTINUED)

STATE OF THE NEGOTIATIONS WITH A VIEW TO CONCLUDING AN AGREEMENT WITH THE UNITED KINGDOM SETTING OUT THE ARRANGEMENTS FOR ITS WITHDRAWAL FROM THE UNION UNDER ARTICLE 50 OF THE TREATY ON EUROPEAN UNION, AND THE POLITICAL DECLARATION SETTING OUT THE FRAMEWORK FOR THE FUTURE RELATIONSHIP BETWEEN THE EU AND THE UK

The PRESIDENT opened the second sitting on 22 November at 10.05 in order to inform the members of the Commission of the outcome of his meeting the previous day with the UK Prime Minister, Theresa May, and to allow Mr BARNIER to present the result of the negotiations he had held with his UK counterparts regarding the draft political declaration setting out the framework for the future relationship between the European Union and the United Kingdom.

Mr BARNIER explained that the negotiators had reached an agreement on the draft and expressed his hope that it would be enshrined in an agreement in principle at political level. An extraordinary meeting of the European Council (Article 50) would be held on 25 November, during which the Council would give its views on the results of the negotiations, namely the withdrawal agreement and the political declaration.

In order to prepare for this process and ensure that it took place in a timely manner, the PRESIDENT reminded the meeting that an urgent written procedure (C(2018) 9001 – PE/2018/8474) had already been launched, the deadline for which was set at 10.45 on Thursday 22 November 2018, by means of which the Commission was called on to:

- endorse the text of the draft political declaration setting out the framework for the future relationship between the European Union and the United Kingdom of Great Britain and Northern Ireland (document TF50(2018) 59) as agreed by the

negotiators and agreed in principle at political level, subject to its approval by the EU leaders;

- endorse the completed text of Article 132 of the withdrawal agreement;
- authorise the PRESIDENT to send to the President of the European Council the attached letter with, as annexes, the text of the draft political declaration and the completed text of Article 132 of the draft withdrawal agreement.

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

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The meeting closed at 10.41.