



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2019) 2308 final

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

Brussels, 2 October 2019

TEXTE EN

MINUTES

**of the 2308th meeting of the Commission
held in Strasbourg
(Winston Churchill building)
on Tuesday 17 September 2019
(afternoon)**

PV(2019) 2308 final

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

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Single sitting: Tuesday 17 September 2019 (afternoon)

The sitting opened at 13.21 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President
Mr TIMMERMANS	First Vice-President
Mr ŠEFČOVIČ	Vice-President
Mr DOMBROVSKIS	Vice-President
Mr KATAINEN	Vice-President
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
Ms THYSEN	Member
Mr STYLIANIDES	Member
Mr HOGAN	Member
Ms BULC	Member
Ms BIENKOWSKA	Member
Ms JOUROVÁ	Member
Mr NAVRACSICS	Member
Ms VESTAGER	Member
Sir Julian KING	Member
Ms GABRIEL	Member

Absent:

Ms MOGHERINI

High Representative /
Vice-President

Mr MOSCOVICI

Member

Mr MOEDAS

Member

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

Mr GRASSI	Chef de cabinet to Ms MOGHERINI	
Mr BAILLY	Chef de cabinet to Mr MOSCOVICI	Items 1 to 6
Ms KIRKETERP DE VIRON	A member of Mr MOEDAS's staff	

The following also sat in:

Ms MARTÍNEZ ALBEROLA	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Ms AHRENKILDE HANSEN	Director-General, DG Communication	
Ms ANDREEVA	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Mr MOTO	European Political Strategy Centre	
Mr THOLONIAT	Adviser in the PRESIDENT's Office	
Ms SILLAVEE	PRESIDENT's Office	
Ms SUTTON	Deputy Chef de cabinet to Mr TIMMERMANS	
Ms SZCZEPANSKA	A member of Mr OETTINGER's staff	
Mr BARNIER	Chief negotiator and Head of the Article 50 Task Force	Items 1 to 6
Mr HEMMELGARN	Secretariat-General	

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

1. AGENDAS

(OJ(2019) 2308/FINAL; SEC(2019) 2308/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(2019) 2308)

The Commission considered the Acting Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 16 September 2019.

3. APPROVAL OF THE MINUTES OF THE 2305TH, 2306TH AND 2307TH MEETINGS OF THE COMMISSION (24 JULY AND 4 AND 11 SEPTEMBER 2019)

The Commission held over approval of the minutes of its 2305th, 2306th and 2307th meetings for a later meeting.

4. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

4.1. WRITTEN PROCEDURES APPROVED

(SEC(2019) 311 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 9 and 13 September 2019.

4.2. EMPOWERMENT

(SEC(2019) 312 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 9 and 13 September 2019.

4.3. DELEGATION / SUBDELEGATION OF POWERS

(SEC(2019) 313 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 9 and 13 September 2019 archived in Decide.

4.4. SIGNIFICANT WRITTEN PROCEDURES

(SEC(2019) 314)

The Commission took note of the significant written procedures for which the time limit expired between 16 and 20 September 2019.

5. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2019) 315)

ADMINISTRATIVE MATTERS

(PERS(2019) 86)

DG MOBILITY AND TRANSPORT – INTERNAL AND INTERINSTITUTIONAL (AT GRADE AD14/15), AND EXTERNAL (AT GRADE AD14) PUBLICATION OF THE VACANCY NOTICES FOR A PRINCIPAL ADVISER POST

(PERS(2019) 87)

On a proposal from Mr OETTINGER, in agreement with the PRESIDENT, and after consulting Ms BULC, and also Mr ŠEFČOVIČ and Mr KATAINEN, the Commission decided to authorise the internal, interinstitutional and external

publication, under Article 29(1)(a)(i) and (iii), (1)(b), and (2) of the Staff Regulations, of the vacancy notices in PERS(2019) 87 for a Principal Adviser post in charge of Digitalisation and Smart Mobility (MOVE.PA.01)) in DG Mobility and Transport.

This decision would take effect immediately.

6. OTHER BUSINESS

LATEST DEVELOPMENTS CONCERNING THE WITHDRAWAL OF THE UNITED KINGDOM FROM THE UNION UNDER ARTICLE 50 OF THE TREATY ON EUROPEAN UNION

At the invitation of the PRESIDENT, Mr BARNIER reported on the latest developments in the process of the United Kingdom's withdrawal from the Union under Article 50 of the Treaty on European Union.

7. INTERINSTITUTIONAL RELATIONS

(RCC(2019) 98/2)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 13 September 2019 (RCC(2019) 98/2).

It paid particular attention to the following points.

7.1. HORIZONTAL ITEM

i) Multiannual Financial Framework 2021-2027

(point 1.1 of the IRG record)

Mr OETTINGER informed the College of the state of play of the negotiations with the European Parliament and the Council on the Union's next

Multiannual Financial Framework for the period 2021 to 2027. On 16 September the General Affairs Council had begun preparations for the detailed discussions that were on the agenda of the European Council on 17 and 18 October. The work of the General Affairs Council would allow the Heads of State or Government of the Union to focus on the main parameters of the Multiannual Financial Framework, namely the overall amount, modernising features, conditionality issues and new sources of financing or own resources.

The bilateral meetings with each government and the Finnish Presidency of the Council had provided a clear idea of the positions, the 'red lines' and possible compromises. They showed broad support for a modernisation of the Multiannual Financial Framework and the priority to be given to climate change, as well as some support for setting conditions linked to respect for the rule of law. The main concerns were the common agricultural policy (CAP) and cohesion policy.

The Finnish Council Presidency was preparing a document to frame the discussions of the European Council, which would subsequently address the sensitive issue of the budgets to be allocated to each of the headings of the next Multiannual Financial Framework, with the aim of reaching an agreement at the European Council meeting in December. He stressed that this indicative timetable was ambitious, given the institutional transition period, but it was important for the Commission to adhere to it as far as possible, to avoid incurring damaging delays.

In terms of the overall amount of the next Multiannual Financial Framework, aside from the extreme proposals of some Member States calling for an overall budget equivalent to 1% or 1.11% of the GNP of the 27 Member States, most delegations were in favour of a realistic and reasonable amount. Also, while the Member States all appeared to support the idea of modernising the next financial framework, some continued to strongly oppose the reductions envisaged in the budgets for agricultural policy and cohesion

policy. Finally, as regards conditions linked to respect for the rule of law, the most determined Member States were proposing to adjust such conditions depending on the size of the budgets concerned. Overall, there was greater acceptance for the idea of conditionality, with some Member States also wishing to add a reference to the EU's migration policy, which they regarded as closely linked to the rule of law.

At this stage of the negotiations, Mr OETTINGER also noted the emergence of a consensus on new own resources from a levy on the use of plastics or the European emissions trading system (ETS). He added that a financial transaction tax remained a possibility for the future, although this solution was not yet ready. Lastly, he welcomed the fact that no Member State, with one exception, had proposed further reductions in heading 7 of the draft Multiannual Financial Framework (administrative expenditure), which the Commission would regard as unacceptable in view of the excessive workload already affecting many of its departments.

The Commission noted this information.

7.2. LEGISLATIVE MATTERS

ii) Council dossiers

(point 3.3 of the IRG record)

- Amendments to Regulations (EU) 2019/124 and (EU) 2018/2025 as regards certain fishing opportunities (Council Regulation) – 2019/0154 (NLE)

The Commission approved the line set out in SI(2019) 555.

7.3. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL**iii) Programming of Council business**

(SI(2019) 562)

The Commission took note of the information in SI(2019) 562 on the Council meetings between 19 September and 2 October 2019.

**iv) Informal meeting of Economic and Financial Affairs Ministers
(Helsinki, 13 and 14 September 2019)**

At the request of the PRESIDENT, Mr DOMBROVSKIS informed the Members of the Commission of the main results of the informal meeting of the Union's Economic and Financial Affairs Ministers, held in Helsinki on 13 and 14 September, and of the Eurogroup meeting of 13 September.

Mr DOMBROVSKIS began by stressing the substantive nature of the discussions held at both meetings. As regards the 'inclusive' format Eurogroup meeting, he reported that the discussions on the budgetary instrument for convergence and competitiveness for the euro area had enabled significant progress to be made on the issues of governance and the allocation key, but also noted certain points of contention, such as the possibility of extra funding by means of an intergovernmental agreement and the participation of non-euro area countries. Nevertheless, the aim was still to reach a political agreement in October in order to conclude the legislative work rapidly, so as to fit in with the timetable for adopting the next Multiannual Financial Framework for 2021-2027.

He explained that the Eurogroup had also held interesting discussions on the follow-up to the G7 meetings held in Chantilly and Biarritz in July and August respectively. As the participants had shared their concerns regarding the slowdown in worldwide growth, the President of the European Central Bank, Mr Mario DRAGHI, had stressed that growth could not be supported by monetary policy alone. Some Member States wanted those countries with

fiscal capacity to use it to kick-start growth. All parties had agreed on the need to pursue structural reform efforts.

As regards digital taxation, Mr DOMBROVSKIS said that he had reiterated during discussions on this point that the Commission was ready to assist with the drafting of an international agreement. He added that several ministers had also referred to the plan to create a new cryptocurrency, the 'Libra', a matter on which Member States had expressed a desire to work collectively and without delay.

Turning to the informal meeting of Economic and Financial Affairs Ministers held in Helsinki on 13 and 14 September, he reported that the participants had agreed on the need to fully integrate the climate change target into their respective areas of responsibility and ensure the resilience of financial institutions in the face of hybrid threats.

The completion of the Capital Markets Union had also been discussed. He highlighted the significant progress made in its implementation and explained that nearly all of the Commission's proposals put forward during its current term of office had been, or were in the process of being, adopted. However, he acknowledged that these positive results would not be enough to complete the Capital Markets Union and that it would be necessary to address some difficult issues, namely the divergence of insolvency frameworks and tax procedures.

Lastly, Mr DOMBROVSKIS noted that Mr Niels THYGESEN, Chair of the independent European Fiscal Board, had presented the Board's report on the assessment of the Union's fiscal rules. This report had been well received, although the Ministers of Economic Affairs and Finance of the Union had, during their discussions, called for prudence as regards the revision of existing legislation. For most ministers, the main outstanding problem concerned the complexity of the rules, while for others it was about those rules not being applied. He therefore called for further examination of these

matters, in particular as part of the revision of the Union's fiscal rules, on which the Commission was required to issue proposals by the end of the year.

In conclusion, Mr DOMBROVSKIS referred to the discussions on energy taxation, the importance of which to achieving environmental and climate targets had been stressed by the Ministers of Economic Affairs and Finance.

The Commission took note of this information.

v) Non-legislative dossiers

(point 4.1 of the IRG record)

- List of high-risk third countries with strategic deficiencies in their anti-money laundering and countering the financing of terrorism regimes

Ms JOUROVÁ outlined to the College the main features of the new methodology put forward by the Commission to identify high-risk third countries in the field of anti-money laundering and countering the financing of terrorist activities. This methodology would be examined by the Council's Financial Services Committee on 18 September ahead of the political discussion that would take place at the meeting of the Economic and Financial Affairs Council on 10 October.

Ms JOUROVÁ explained that, following the latest discussion of this matter at the Commission's meeting of 24 July, the Commission's departments had continued their work in order to fine-tune the methodology. The outcome involved greater dialogue with the third countries concerned before the final decision on the list identifying the high-risk countries, and greater clarity on the interaction between the European Union's assessment and that of the Financial Action Task Force (FATF-GAFI) housed at the headquarters of the Organisation for Economic Co-operation and Development (OECD). The EU supported the latter's assessment and did not seek to undermine it in any way. She noted that the new methodology had been fairly well received by the Member States.

At the same time, she said that the Commission had begun discussions with the European Parliament, which was behind the initiative to define an independent methodology for the European Union.

She ended by pointing out that the objective at this stage was to find a way towards a compromise between the European Parliament and the Council on the main points of the new methodology in order for the Commission departments to complete their work before the outcome was put before the College.

The Commission took note of this information and approved the line set out in SI(2019) 551/2.

- ‘Our Ocean Conference’ – A high-level meeting organised by the Norwegian government (Oslo, 23 and 24 October 2019) – List of commitments to be presented on behalf of the European Union

The Commission approved the line set out in SI(2019) 556 and /2.

- Fishing for snow crab in the area around Svalbard – ‘*Note Verbale*’ sent to the Norwegian Ministry of Foreign Affairs

The Commission approved the line set out in SI(2019) 560.

- Business and Human Rights – 5th session of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights (Geneva, 14 to 18 October 2019)

The Commission approved the line set out in SI(2019) 557/2.

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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 14.03.