EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2019) 2314 final

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Brussels, 26 November 2019

TEXTE EN

MINUTES

of the 2314th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 6 November 2019

(morning)

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Single sitting: Wednesday 6 November 2019 (morning)

The sitting opened at 10.22 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President	
Mr TIMMERMANS	First Vice-President	
Ms MOGHERINI	High Representative / Vice-President	
Mr ŠEFČOVIČ	Vice-president	
Mr DOMBROVSKIS	Vice-president	
Mr KATAINEN	Vice-president	
Mr HAHN	Member	
Ms MALMSTRÖM	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Mr MOSCOVICI	Member	
Mr STYLIANIDES	Member	
Ms BIEŃKOWSKA	Member	
Ms JOUROVÁ	Member	Items 1 to 7 (in part)
Ms VESTAGER	Member	
Sir Julian KING	Member	

Absent:

Mr OETTINGER	Member
Mr MIMICA	Member
Ms THYSSEN	Member
Mr HOGAN	Member
Ms BULC	Member
Mr NAVRACSICS	Member
Mr MOEDAS	Member
Ms GABRIEL	Member

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

Mr HAGER	Chef de cabinet to Mr OETTINGER
Mr BEHRNDT	Chef de cabinet to Mr MIMICA
Ms BERNAERTS	Chef de cabinet to Ms THYSSEN
Ms SIRACUSA	Deputy Chef de cabinet to Mr HOGAN
Mr ZAKONJSEK	Chef de cabinet to Ms BULC
Ms KIRALY	Chef de cabinet to Mr NAVRACSICS
Mr VICENTE	Chef de cabinet to Mr MOEDAS
Ms BORISSOVA	Chef de cabinet to Ms GABRIEL

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
Ms METTLER	Head of the European Political Strategy Centre
Mr LEARDINI	Deputy Secretary-General
Mr SZOSTAK	Deputy Chef de cabinet to the PRESIDENT
Mr THOLONIAT	Adviser in the PRESIDENT's Office
Ms SILLAVEE	PRESIDENT's Office
Mr SUARDI	Chef de cabinet to Mr DOMBROVSKIS
Mr BAILLY	Chef de cabinet to Mr MOSCOVICI
Mr HEMMELGARN	Secretariat-General
Mr CAINZOS	Secretariat-General
Ms BERTAUD	Commission Spokesperson's Service

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

1. AGENDAS
(OJ(2019) 2314/FINAL; SEC(2019) 2314/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) 2314)

The Commission considered the Acting Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 4 November 2019.

3. APPROVAL OF THE MINUTES OF THE 2305TH, 2311TH, 2312TH AND 2313TH MEETINGS OF THE COMMISSION (24 JULY AND 16, 22 AND 30 OCTOBER 2019)
(PV(2019) 2311; PV(2019) 2311, 2ND PART)

The Commission approved the minutes of its 2311th meeting, and decided to hold over approval of the minutes of its 2305th, 2312th and 2313th meetings until a later meeting.

4. INTERINSTITUTIONAL RELATIONS
(RCC(2019) 115)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Thursday 31 October 2019 (RCC(2019) 115).

It paid particular attention to the following points.

4.1. HORIZONTAL ITEM

i) Multiannual Financial Framework 2021-2027 – Trilogues
(point 1.1.1 of the IRG record)

– European Solidarity Corps programme and repeal of [European Solidarity Corps Regulation] and Regulation (EU) No 375/2014 (Regulation) – ŠOJDROVÁ report – 2018/0230 (COD)

The Commission approved the line set out in SI(2019) 629.

4.2. LEGISLATIVE MATTERS

ii) Trilogue
(point 3.1 of the IRG record)

– Establishment of a framework to facilitate sustainable investment (Regulation) – PIETIKÄINEN & EICKHOUT report – 2018/0178 (COD)

The Commission approved the line set out in SI(2019) 651/2.

4.3. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Programming of Council business
(SI(2019) 658)

The Commission took note of the information in SI(2019) 658 on the Council meetings between 7 and 20 November 2019.

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

– Governmental Advisory Committee of the Internet Corporation for Assigned Names and Numbers (ICANN) – .AMAZON top-level domain (Montreal, 2-7 November 2019)

The Commission approved the line set out in SI(2019) 652.

– Conclusion and signing, on behalf of the European Union, and provisional application of the Protocol to amend the International Convention for the Conservation of Atlantic Tunas (Council decisions) – 2019/0225 (NLE) and 2019/0223 (NLE)

The Commission approved the line set out in SI(2019) 653.

– Conclusion and signing, on behalf of the Union, and provisional application of the Protocol on the implementation of the Fisheries Partnership Agreement between the Republic of Senegal and the European Union (Council decisions) – 2019/0226 (NLE) and 2019/0228 (NLE)

The Commission approved the line set out in SI(2019) 654.

– Position to be taken on behalf of the European Union within the enlarged Commission of Eurocontrol, regarding principles for establishing the cost-base for en route charges and the calculation of the unit rate and conditions of application of the route charges system and conditions of payment (Council decision) – 2019/0233 (NLE)

The Commission approved the line set out in SI(2019) 657/2.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2019) 373 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 28 and 31 October 2019.

5.2. EMPOWERMENT (SEC(2019) 374 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 28 and 31 October 2019.

5.3. DELEGATION / SUBDELEGATION OF POWERS (SEC(2019) 375 ET SEQ)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 28 and 31 October 2019 archived in D*e*cide.

5.4. SIGNIFICANT WRITTEN PROCEDURES (SEC(2019) 376 AND /2)

The Commission took note of the significant written procedures for which the time limit expired between 4 and 8 November 2019.

6. OTHER BUSINESS

6.1. EUROPEAN SEMESTER OF ECONOMIC AND BUDGETARY POLICY COORDINATION FOR 2020 – PRELIMINARY EVALUATION OF THE DRAFT BUDGETARY PLANS OF THE EURO AREA MEMBER STATES

6.2. AUTUMN ECONOMIC FORECASTS

The PRESIDENT asked Mr DOMBROVSKIS and Mr MOSCOVICI to present to the College the Autumn Economic Forecasts to be published by the Commission on Thursday 7 November, and their preliminary evaluation of the draft budgetary plans of the Member States of the euro area under the European Semester of Economic and Budgetary Policy Coordination for 2020.

Mr DOMBROVSKIS spoke of the current situation and the outlook for the European economy. He considered that it was showing some resilience in the context of a weak international environment. The European economy was continuing to grow, albeit at a slower pace, and a solid momentum of job creation was fuelling domestic demand and private consumption.

However, the uncertainty linked to trade frictions, worsening geopolitical tensions and the UK's withdrawal from the Union could cause economic disruption, particularly in Member States with structural weaknesses or in certain sectors, such as the automotive industry. The slowdown in activity had affected advanced and emerging global economies alike, meaning that some growth forecasts would have to be revised downward. While it was good news that no Member States were in recession, it was nevertheless necessary to remain vigilant in the light of the risks he had referred to.

In the current circumstances, he therefore considered it necessary to adopt a balanced economic policy whereby Member States that had fiscal space used it and those that did not reduced their indebtedness. He stressed that all the EU Member States needed to strengthen their structural policies to maximise their growth potential and start a just transition towards a climate neutral economy.

With regard to the draft budgetary plans, Mr DOMBROVSKIS explained that the Commission's services were currently evaluating them in the light of the Autumn Economic Forecasts, taking into account the information provided by the Member States, particularly that supplied in response to the letters sent by the Commission to some of them at the end of October requesting clarifications. Belgium, Spain and Portugal had been asked to submit definitive draft budgetary plans as soon as possible, in accordance with the provisions of the Stability and Growth Pact. These definitive draft plans could give rise to the adoption of appropriate measures if a no-policy change scenario indicated a budgetary expansion in Belgium and Portugal.

The Commission had also sent letters to the French and Italian governments, whose draft budgetary plans for 2020 presented the risk of a significant deviation from the adjustment required in 2019 and 2020 taken together. In the meantime, the Member States concerned had provided further clarification and additional information on the measures underlying their draft budgetary plans. Although no revised draft budgetary plans had been requested at this stage, certain Member States were at risk of departing significantly from the adjustment path requested in order to meet their medium-term budgetary objective and reduce their level of public debt.

At its meeting on 20 November the Commission would therefore have to adopt its opinions on the Member States' draft budgetary plans. At the same time, the Commission would also have to renew the significant deviation procedure for Hungary and Romania, since these two Member States had not complied with the Council's recommendations. In addition, Romania might not be able to comply with the budgetary rule set by the Stability and Growth Pact limiting the public deficit to 3% of GDP.

Lastly, he noted that on 20 November the Commission would also have to adopt its next enhanced surveillance report for Greece, with a view to the Eurogroup meeting on 4 December, which might decide to disburse funds as a debt relief measure.

Mr DOMBROVSKIS concluded by recalling that it would be for the next Commission to adopt the other documents related to the European Semester, namely the Annual Growth Survey, the Alert Mechanism Report, the draft Joint Employment Report, the Report on the Single Market and the Recommendation for the Euro Area.

Mr MOSCOVICI summarised the main messages in the economic forecasts for 2019 and the next two years, highlighting the fact that the foundations of the European economy would remain solid in 2019, 2020 and 2021. Thus, the labour market had continued to improve and should remain in a relatively favourable situation throughout this period, even though unemployment was expected to fall at a slower rate. The public deficit both in the euro area and the Union as a whole was expected to remain under control, below 1% in 2019 and 2020.

He began by noting that growth remained moderate but positive in all the EU Member States, as confirmed by Eurostat, according to which quarterly growth in the euro area had remained stable at 0.2% in the third quarter and was set to remain at a comparable level in the fourth. A new element was that the forecasts no longer showed a recovery in activity in 2020 and 2021.

Moreover, European growth was hampered by international trade tensions, added to the weakness of global demand. Certain structural changes also contributed to this, such as the contraction of the manufacturing sector in the euro area, owing to the slowdown in this industry worldwide, whereas growth remained steady in sectors more geared to domestic demand, such as construction and services. The sharp fall in manufacturing activity did not affect all the Member States equally. Germany was the most affected due to the high share of this industry in its GDP and the important share of industrial products in its exports. Conversely, the Central and Eastern European economies had continued to grow strongly thanks to particularly dynamic labour markets and the absorption of European funds.

In conclusion, Mr MOSCOVICI referred to the risks that would continue to be faced by the European economies. Externally, these were prolonged uncertainty, a worsening of trade frictions, geopolitical tensions and a sharper-than-expected slowdown in the Chinese economy; internally, a possible disorderly withdrawal of the UK from the Union and a strong fall in activity in the services sector.

The PRESIDENT thanked Mr DOMBROVSKIS and Mr MOSCOVICI for their analysis, which revealed a mixed outlook. Closing the meeting, he said that in his absence for medical reasons, Mr TIMMERMANS would chair the next two meetings of the College.

The Commission noted this information.

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The meeting closed at 10.35.