



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2022) 2423 final

- English translation of the French version which is authentic -

Brussels, 20 July 2022

TEXTE EN

MINUTES

of the 2423rd meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 22 June 2022

(morning)

PV(2022) 2423 final

- English translation of the French version which is authentic -

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Single sitting: Wednesday 22 June 2022 (morning)

The sitting opened at 9.12 with Ms von der LEYEN, President, in the chair.

Present:

Ms von der LEYEN	President	
Mr TIMMERMANS	Executive Vice-President	
Ms VESTAGER	Executive Vice-President	
Mr DOMBROVSKIS	Executive Vice-President	
Mr BORRELL i FONTELLES	High Representative / Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Ms ŠUICA	Vice-President	
Mr SCHINAS	Vice-President	
Mr HAHN	Member	Items 8 (in part) to 11 (in part)
Ms GABRIEL	Member	
Mr SCHMIT	Member	
Mr GENTILONI	Member	
Mr WOJCIECHOWSKI	Member	
Mr BRETON	Member	
Ms FERREIRA	Member	
Ms KYRIAKIDES	Member	
Mr REYNDERS	Member	
Ms DALLI	Member	
Ms JOHANSSON	Member	
Mr LENARČIČ	Member	Items 9/10 (in part) and 11
Ms VÁLEAN	Member	Items 8 to 11
Mr VÁRHELYI	Member	Items 1 to 9/10 (in part)
Ms URPILAINEN	Member	Items 1 to 9/10

Mr SINKEVIČIUS	Member
Ms McGUINNESS	Member

Absent:

Ms JOUROVÁ	Vice-President
Ms SIMSON	Member

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

Ms LADMANOVÁ	Adviser in Ms JOUROVÁ's Office	
Ms SIMKIĆ	Chef de cabinet to Mr LENARČIČ	Items 1 to 9/10 (in part)
Mr ELING	Deputy Chef de cabinet to Mr LENARČIČ	Item 12
Mr LAHTI	Chef de cabinet to Ms URPILAINEN	Items 11 and 12
Mr GRASSI	Chef de cabinet to Ms SIMSON	

The following also sat in:

Mr SEIBERT	Chef de cabinet to the PRESIDENT	
Mr CALLEJA CRESPO	Director-General, Legal Service	
Ms AHRENKILDE HANSEN	Director-General, DG Communication	
Mr MAMER	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's Office	
Mr VANDENBERGHE	Adviser in the PRESIDENT's Office	Items 8 and 9/10
Mr SMITH	A member of the PRESIDENT's staff	Items 9/10
Mr THYGESSEN	Chairman, European Fiscal Board	Item 8
Mr LARCH	Secretariat-General	Item 8

Ms SPINANT

Deputy Chief Spokesperson of the Commission

Items 8 (in part) to
9/10

Ms ALLOUIS-LE LOSTEC

Head of Unit in the Secretariat-General

Secretary: Ms JUHANSONE, Secretary-General, assisted by Ms DEPREZ, Director in the Secretariat-General.

1. AGENDAS

(OJ(2022) 2423/FINAL; SEC(2022) 2423/4)

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(2022) 2423)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 20 and Tuesday 21 June 2022.

3. APPROVAL OF THE MINUTES

The Commission held over approval of the minutes of its 2420th, 2421st, and 2422nd meetings of 1, 7, and 13 and 17 June 2022 for a later date.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2022) 139)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held by videoconference on Friday 17 June 2022 (RCC(2022) 139).

The Commission approved the lines proposed for the following points:

- **Serious cross-border threats to health and repeal of Decision No 1082/2013/EU (Regulation) – TRILLET-LENOIR report – 2020/0322 (COD)**

Line set out in SI(2022) 212.

- **Machinery products (Regulation) – ŠTEFANEC report – 2021/0105 (COD)**

Line set out in SI(2022) 213.

- **2030 Policy Programme ‘Path to the Digital Decade’ (Decision) – DLABAJOVÁ report – 2021/0293 (COD)**

Line set out in SI(2022) 226.

- **Amendment of Directive 2013/34/EU, Directive 2004/109/EC, Directive 2006/43/EC and Regulation (EU) No 537/2014, as regards corporate sustainability reporting (Directive) – DURAND report – 2021/0104 (COD)**

Line set out in SI(2022) 227/2.

- **COVID-19**
 - **Amendment of Regulation (EU) 2021/953 on a framework for the issuance, verification and acceptance of interoperable COVID-19 vaccination, test and recovery certificates (EU Digital COVID Certificate) to facilitate free movement during the COVID-19 pandemic (Regulation) – LÓPEZ AGUILAR report – 2022/0031 (COD)**
 - **Amendment of Regulation (EU) 2021/954 on a framework for the issuance, verification and acceptance of interoperable COVID-19 vaccination, test and recovery certificates (EU Digital COVID Certificate) with regard to third-country nationals legally staying or residing in the territories of Member States during the COVID-19**

pandemic (Regulation) – LÓPEZ AGUILAR report – 2022/0030 (COD)

Line set out in SI(2022) 200.

- **Objection pursuant to Rule 112(2) and (3) of the European Parliament's Rules of Procedure on designating antimicrobials or groups of antimicrobials reserved for treatment of certain infections in humans – 2022/2693 (RSP)**

Line set out in SP(2022) 376.

- **Objection pursuant to Rule 112(2) and (3) of the European Parliament's Rules of Procedure on authorising the placing on the market of products**
 - **containing, consisting of or produced from genetically modified maize DP4114 × MON 810 × MIR604 × NK603 and genetically modified maize combining two or three of the single events DP4114, MON 810, MIR604 and NK603, pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – 2022/2694 (RSP)**
 - **containing, consisting of or produced from genetically modified maize NK603 × T25 × DAS-40278-9 and its sub-combination T25 × DAS-40278-9, pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – (D080148) / 2022/2713 (RSP)**

Line set out in SP(2022) 378.

- **Amendment of Council Regulations (EC) No 1936/2001, (EC) No 1984/2003 and (EC) No 520/2007 on management, conservation and control measures applicable in the Indian Ocean Tuna Commission (IOTC) Area of Competence (Regulation) – MATO report – 2021/0058 (COD)**

Line set out in SI(2022) 214.

- **Modernisation of the Energy Charter Treaty – EU position on the outcome of negotiations**

Line set out in SI(2022) 228.

The Commission approved the line proposed for the following point, for transmission to the European Parliament:

- **Commission follow-up to the non-legislative resolutions adopted by the European Parliament at its part-session of April 2022 (Part II)**

Line set out in SP(2022) 383.

The Commission approved the line proposed for the following point, for transmission to the European Economic and Social Committee:

- **Follow-up to opinions of the European Economic and Social Committee – Plenary session of January 2022**

Line set out in SC(2022) 20/2.

The Commission approved the line proposed for the following point, for transmission to the Committee of the Regions:

- **Follow-up to opinions of the Committee of the Regions – Plenary session of January 2022**

Line set out in SR(2022) 10/2.

The Commission took note of the following points:

- **Amendment of Regulation (EU) 2017/1938 of the European Parliament and of the Council concerning measures to safeguard the security of gas supply and Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to natural gas transmission networks (Regulation) – BUŞOI report – 2022/0090 (COD)**

Compromise text in SP(2022) 372, further to note SI(2022) 183, which the Commission had already approved on 1 June 2022.

- **Amendment of Regulation (EU) 2021/953 on a framework for the issuance, verification and acceptance of interoperable COVID-19 vaccination, test and recovery certificates (EU Digital COVID Certificate) to facilitate free movement during the COVID-19 pandemic (Regulation) – LÓPEZ AGUILAR report – 2022/0031 (COD)**

Compromise text in SP(2022) 373, further to note SI(2022) 200, which the Commission approved on 22 June 2022 (see above).

- **Amendment of Regulation (EU) 2021/954 on a framework for the issuance, verification and acceptance of interoperable COVID-19 vaccination, test and recovery certificates (EU Digital COVID Certificate) with regard to third-country nationals legally staying or residing in the territories of Member States during the COVID-19 pandemic (Regulation) – LÓPEZ AGUILAR report – 2022/0030 (COD)**

Compromise text in SP(2022) 374, further to note SI(2022) 200, which the Commission approved on 22 June 2022 (see above).

- **‘Fit for 55’ – Amendment of Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repeal of Council Directive (EU) 2015/652 (Directive) – PIEPER report – 2021/0218 (COD)**

Information set out in SP(2022) 386/2.

- **‘Fit for 55’ – Recast of the Energy Efficiency Directive (Directive) – FUGLSANG report – 2021/0203 (COD)**

Information set out in SP(2022) 387/2.

- **‘Fit for 55’ – Amendment of Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme, and Regulation (EU) 2015/757 (Directive) – LIESE report – 2021/0211 (COD)**

Information set out in SI(2022) 215/2.

- **‘Fit for 55’ – Establishment of a Social Climate Fund (Regulation) – CASA & DE LANGE report – 2021/0206 (COD)**

Information set out in SI(2022) 216/2.

- **‘Fit for 55’ – Amendment of Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (Regulation) – POLFJÄRD report – 2021/0200 (COD)**

Information set out in SI(2022) 217.

- **‘Fit for 55’ – Amendment of Regulations (EU) 2018/841 as regards the scope, simplifying the compliance rules, setting out the targets of the Member States for 2030 and committing to the collective achievement of climate neutrality by 2035 in the land use, forestry and agriculture sector, and (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review (Regulation) – NIINISTÖ report – 2021/0201 (COD)**

Information set out in SI(2022) 218.

- **‘Fit for 55’ – Amendment of Regulation (EU) 2019/631 as regards strengthening the CO₂ emission performance standards for new passenger cars and new light commercial vehicles in line with the Union’s increased climate ambition (Regulation) – HUITEMA report – 2021/0197 (COD)**

Information set out in SI(2022) 219.

- **‘Fit for 55’ – Amendment of Directive 2003/87/EC as regards aviation’s contribution to the Union’s economy-wide emission reduction target and appropriately implementing a global market-based measure (Directive) – GLAVAK report – 2021/0207 (COD)**

Information set out in SI(2022) 220.

- **Establishment of ‘Eurodac’ for the comparison of fingerprints for the effective application of Regulation (EU) No 604/2013 establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person, for identifying an illegally staying third-country national or stateless person and on requests for the comparison with Eurodac data by Member States’ law enforcement authorities and Europol for law enforcement purposes (recast) (Regulation) – BUXADÉ VILLALBA report – 2016/0132 (COD)**

Information set out in SI(2022) 222/2.

- **Asylum and migration management**
 - **Introduction of a screening of third-country nationals at the external borders and amendment of Regulations (EC) No 767/2008, (EU) 2017/2226, (EU) 2018/1240 and (EU) 2019/817 (Regulation) – SIPPEL report – 2020/0278 (COD)**

- **Amendment of Regulation (EU) 2019/816 establishing a centralised system for the identification of Member States holding conviction information on third-country nationals and stateless persons (ECRIS-TCN) to supplement the European Criminal Records Information System and Regulation (EU) 2019/818 on establishing a framework for interoperability between EU information systems in the field of police and judicial cooperation, asylum and migration and amending Regulations (EU) 2018/1726, (EU) 2018/1862 and (EU) 2019/816 for the purpose of introducing a screening of third-country nationals at the external border (Regulation) – SIPPEL report – 2021/0046 (COD)**

Information set out in SI(2022) 223.

- **Making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repeal of Regulation (EU) No 995/2010 (Regulation) – HANSEN report – 2021/0366 (COD)**

Information set out in SI(2022) 221.

- **European Declaration on Digital Rights and Principles for the Digital Decade – COM(2022) 28 final**

Information set out in SI(2022) 229.

5. COORDINATION OF EXTERNAL ACTION (RCC(2022) 26)

The Commission took note of the operational conclusions in RCC(2022) 26 of the meeting of the Group for External Coordination (EXCO) held on Wednesday 15 June 2022.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2022) 237 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 19 June 2022.

6.2. EMPOWERMENT

(SEC(2022) 238 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 19 June 2022.

6.3. DELEGATION / SUBDELEGATION OF POWERS

(SEC(2022) 239 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 13 and 19 June 2022 archived in Decide.

6.4. SIGNIFICANT WRITTEN PROCEDURES

(SEC(2022) 240 AND /2)

The Commission took note of the significant written procedures for which the time limit expired between 20 and 24 June 2022.

7. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2022) 241)

ADMINISTRATIVE MATTERS

(PERS(2022) 41)

DG COMMUNICATION – APPOINTMENT OF A HEAD OF A EUROPEAN COMMISSION REPRESENTATION

The Commission took note of the decision taken by the Appointing Authority to appoint Ms Monika LADMANOVÁ to the post of Head of the European Commission's Representation in Prague, Czech Republic.

This decision would take effect on 1 July 2022.

8. OTHER BUSINESS***ANNUAL REPORT OF THE EUROPEAN FISCAL BOARD ON THE FISCAL STANCE APPROPRIATE FOR THE EURO AREA IN 2023***

The PRESIDENT warmly welcomed Professor Niels THYGESEN, the Chair of the independent European Fiscal Board, and invited him to present the Board's annual report on the fiscal stance appropriate for the euro area in 2023.

Mr THYGESEN began by briefly summarising the four main messages of the report.

First, the war in Ukraine had damaged the economic outlook, but growth in the gross domestic product (GDP) of the euro area was expected to remain positive, and the euro-area annual real GDP was this year expected to exceed pre-pandemic levels.

Second, the terms-of-trade shock triggered by the war could not be solved by an additional fiscal stimulus, as this would run counter to the actions taken by the European Central Bank to control inflation.

Third, the European Fiscal Board recommended a moderately restrictive fiscal impulse for 2023. Assuming a partial withdrawal of pandemic-related fiscal support, the fiscal stimulus produced by current policies seemed broadly appropriate.

Overall, fiscal support remained significant.

Finally, the economic conditions and outlook did not warrant extension of the severe economic downturn clause. This extension would impede attainment of the appropriate fiscal stance in 2023.

Mr THYGESEN went on to give an overview of the current economic outlook. It had initially been expected that the strong rebound after the COVID-19 crisis would continue into 2023, but the war in Ukraine had caused a very significant terms-of-trade shock, which had had a negative impact on the outlook. In spite of a downward revision, the growth projections remained positive for 2023. The unemployment rate remained historically low and inflation was very high.

With regard to the fiscal policy response to the terms-of-trade shock, he noted that the current situation – characterised by severe supply-chain constraints, weaker growth and a higher inflation rate – could not be resolved by a new fiscal expansion, which would go against the European Central Bank's efforts to control inflation. Fiscal policy should therefore be focused on protecting the most vulnerable households through targeted and temporary redistribution measures.

On this basis, he stated that the European Fiscal Board agreed with the Commission on the need to move to prudent fiscal positions, and considered that over the medium term, high-debt countries would have to continue to reduce their public debt. This would help to align once again fiscal and monetary policy, and build fiscal buffers for future crises. The European Fiscal Board therefore considered a moderately restrictive impulse in 2023 would be in line with a prudent fiscal situation, and that the Member States' current budgetary plans amounted to a broadly appropriate response, with a view to phasing out the pandemic-related emergency measures. Even with this moderately restrictive fiscal manoeuvre, the level of fiscal support would remain significant.

Mr THYGESEN also noted that these recommendations on the euro-area fiscal impulse were exceptionally aligned for 2023, both in terms of the sustainability of

public finances and in terms of fiscal stabilisation. In this context, whilst recognising the Commission's concerns that had justified the extension of the severe economic downturn clause for 2023 as well, he clarified that no severe economic downturn was expected in the coming years, the annual real GDP for the euro area would exceed its pre-pandemic level in 2022, and the sustainability analysis carried out by the Commission highlighted high risks in the medium and long term in several countries.

In conclusion, in order to ensure an appropriate mix of economic policies following the announcement of the end of accommodative monetary policy by the European Central Bank, the governments would have to show that they were taking into account the sustainability of public finances in their fiscal policy decisions.

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

- the high quality of the European Fiscal Board report, which represented an important contribution to the work of the Commission;
- the EU's rapid recovery in terms of economic growth after the pandemic crisis, showing the added value of the NextGenerationEU instrument and of the political decisions that had been made to combat the crisis;
- the somewhat different assessments of the European Fiscal Board and the Commission of a number of points relating to the current period of exceptional uncertainty and risks;
- a reminder that, within the framework of the recent Spring European Semester package, the Commission had not explicitly given an opinion on an appropriate fiscal stance for the euro area as a whole, focusing rather on differentiation between the Member States and the composition of public finances;

- the statistical confirmation of the baseline scenario based on the Commission’s economic forecasts, with very limited growth in the first quarter, which however did not exclude more unfavourable scenarios materialising, particularly if energy supply problems continued;
- the high risk of loss of purchasing power and the consequences of this risk in terms of wage increases and second-round effects on inflation;
- the European Central Bank’s decision to move towards a normalisation of monetary policy and its simultaneous announcement of a new tool to avoid the risk of fragmentation;
- the importance of prudent fiscal policy in this context, particularly in highly indebted Member States, which had been emphasised by the recent dynamics on the financial markets;
- nevertheless, the need for the Member States to take targeted and temporary measures to mitigate the impact of rising energy prices on the most vulnerable households, and to support those fleeing the war in Ukraine;
- the importance of increased public investment, including through making maximum use of the NextGenerationEU instrument, which would help to reduce inflationary pressures in the medium term and to improve the sustainability of public finances;
- the extension of the general escape clause of the Stability and Growth Pact owing to the uncertainty created by the war in Ukraine, which did not represent an opportunity for the Member States to spend freely, but was rather a tool giving them the flexibility to react in an unprecedented situation;
- the progress made in the economic governance review, on the basis of which the Commission would endeavour to present general guidelines for possible revisions after the summer break;

- in this context, the expediency of using the lessons learned from the implementation of the NextGenerationEU instrument in order to improve both ownership and enforcement of the common rules;
- the fact that reaching a broad consensus on the review of the Stability and Growth Pact would in itself be a very significant and positive signal for markets, which would be reassured not only by the normalisation of monetary policy, but also by the unity of the Member States in the coordination of their budgetary policies.

Mr THYGESEN thanked the Members of the Commission for their comments, and confirmed that the efforts made in 2020 to combat the COVID-19 pandemic had borne fruit. He stressed in particular the importance of the measures taken since the start of the crisis, particularly the activation of the severe economic downturn clause.

With regard to the current economic situation, he acknowledged the high level of uncertainty referred to by the Commission. However, he reminded the meeting that the Member States generally had quite a flexible approach when it came to taking expansionary fiscal measures, but needed more incentives to examine the sustainability of public finances in the long term.

Mr THYGESEN also considered that the fact that the Member States were currently less resistant to the review of the economic governance framework was a result of the more consensual proposals which were beginning to emerge. In view of these circumstances, it seemed important for the Commission to take the initiative for a reform in this area.

Finally, he emphasised that even in this period of less resistance to reforms, joint initiatives – such as a European fiscal stabilisation mechanism or a budget allocation to guarantee the provision of EU public goods – could give rise to difficulties in acceptance by the Member States. The NextGenerationEU instrument addressed some of these issues which had not been dealt with in the past. On this basis, the

Commission should encourage finance ministers to continue developing joint initiatives once the current crisis was over.

The PRESIDENT concluded by thanking Mr THYGESEN and the European Fiscal Board for this annual report, which was a valuable source of inspiration and reflection for the Commission in its policy-making. She emphasised the need for the Member States to have guidance and benchmarks concerning debt and deficit, and for the Commission to be able to adapt these benchmarks in a flexible way over the next decade. There was no one-size-fits-all solution for Member States, but the basic principle of the NextGenerationEU instrument – i.e. that the Member States should design their specific priorities in accordance with the common objectives – could be the approach to follow in the review of the Stability and Growth Pact.

The Commission took note of this information.

9. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE SUSTAINABLE USE OF PLANT PROTECTION PRODUCTS AND AMENDING REGULATION (EU) 2021/2115

(COM(2022) 305 TO /3; SWD(2022) 169; SWD(2022) 170; SWD(2022) 171; SEC(2022) 257; RCC(2022) 146)

10. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON NATURE RESTORATION

(COM(2022) 304 AND /2; SWD(2022) 167; SWD(2022) 168 AND /2; SEC(2022) 256; RCC(2022) 146)

At the invitation of the PRESIDENT, Mr TIMMERMANS introduced the presentation to the College of two proposals for Regulations, the respective aims of which were to enable the sustainable use of plant protection products and to restore nature throughout Europe, from the seas and agricultural land to forests and urban areas.

He began by thanking the Directorates-General concerned for the considerable amount of work they had put into preparing these proposals, particularly in terms of the thorough impact assessment and extensive stakeholder consultation.

Before presenting the main aspects of the two proposals, he touched on the question of the timing of their adoption in the context of the war in Ukraine and the resulting food crisis.

He stressed that the two proposals for Regulations would strengthen food resilience and food security in Europe in the medium term and would not lead to a reduction in food production. They would help ensure that economic activity was sustainable, first and foremost for those who depended most directly on healthy ecosystems for their livelihoods, namely farmers, foresters and fishers. The proposals would also reduce farmers' dependency on expensive inputs, such as chemical pesticides, supporting affordable food for all citizens of the EU.

He considered that science offered clear conclusions, notably within the scope of the latest report from the Intergovernmental Panel on Climate Change. It demonstrated, based on evidence, that the greatest threats to food production and food security were climate change and biodiversity loss, which were already severely impacting yields globally and in Europe, with the war having worsened a situation that was already considered worrying.

He stressed that, in order to ensure food security, there was no alternative but to reverse the alarming decline in pollinators, which were vital for 80% of agricultural crops, and this made it necessary to cut back on the use of chemical pesticides.

It was also important to restore soils, since soil degradation across the EU affected 60 to 70% of agricultural land and was already limiting the EU's ability to produce food in some regions. He therefore stressed the need to reintroduce more biodiversity into agricultural land, as its landscape features were crucial for retaining water, preventing soil erosion and restoring pollinator populations.

Mr TIMMERMANS also pointed to the urgent need to stop marine pollution and adopt more sustainable fishing practices, given that the availability of fishery resources was also an important part of our food security.

These were only a few examples, but they demonstrated that, if the aim was to guarantee food security in Europe and if one looked at the scientific data, it was clear that there was an urgent need to speed up efforts to reduce the use of chemical pesticides and restore nature.

He also pointed out that the proposal for a Regulation on nature restoration did not impose any immediate obligations on farmers, foresters or fishers, since the Member States would draw up their nature restoration plans and action plans on the use of sustainable pesticides only once the proposal had been adopted by the co-legislators. These plans would be drawn up as part of an inclusive process, in cooperation with farmers and all other stakeholders. Under the proposal on sustainable pesticides, the Commission would ensure that all farmers had access to the latest knowledge and products, with support from the common agricultural policy.

Mr TIMMERMANS explained that, once the two Regulations had been adopted by the co-legislators, they would be implemented gradually, which explained why the targets in the proposal on pesticides were set for 2030 and the nature restoration targets were set for 2040 and 2050.

He noted that the costs generated by the two proposals should be viewed as an investment in healthy ecosystems that would guarantee food security and the supply of other socio-economic services. The impact assessment carried out when drawing up the proposal for a Regulation on nature restoration showed that the benefits would far outweigh the investment costs at a ratio of eight to one, while the cost of failing to act was EUR 1.7 trillion.

Over half of the world's gross domestic product (GDP) was directly linked to nature, meaning that not only food production but also many other sectors of the

economy were fully dependent on nature. That was why many sectors, ranging from consumer goods producers to non-energy extractive industries, including the cement, tourism and renewable energy industries, had called on the Commission not to delay the proposal and to present an ambitious initiative.

He also considered that there was a clear business case for the sustainable pesticides proposal, since the aim was not to ban the use of pesticides, but rather to create the right conditions so that, by 2030, half of those chemicals could be replaced by biological alternatives, better management practices and innovative technologies.

As a general point, he said that these initiatives were a direct response to calls from European citizens for nature to be protected and pollution controlled.

Mr TIMMERMANS reminded the College that the Farm to Fork Strategy and the Biodiversity Strategy, adopted by the Commission two years previously, already set targets for 2030. But they also set out to assess, based on scientific evidence, what could already be done and to devise a longer-term strategy to address the fundamental questions raised by the process of transformation, particularly with regard to sustainability and biodiversity. The proposals presented that day represented a major step forward in terms of tackling the threat of environmental destruction in the EU and helping to ensure a sustainable future for its people.

Ms KYRIAKIDES praised the constructive discussions that had taken place in the Commission on the proposal for a Regulation on plant protection products.

The starting point for the proposal was civil society's keen interest in seeing pesticide use reduced. Europeans had made many calls to that effect in the shape of European citizens' initiatives and, more recently, in the context of the Conference on the Future of Europe. She also noted that European citizens viewed the use of pesticides as a major food safety concern.

She stressed the fact that, at the beginning of its term of office, the Commission had made a political commitment to implementing the European Green Deal and that the

proposal was part of an ambitious European effort to transition towards a sustainable food system, namely the Farm to Fork Strategy.

She mentioned that questions had been raised about the appropriateness of adoption at a time when the war in Ukraine had severely disrupted world food markets. However, she maintained that adoption was necessary at this time for this very reason, namely because of the terrible shocks to the world food system and the other challenges ahead, ranging from climate change to the decline in pollinators.

The European Union therefore had to be ready to both deal with the shock caused by the war and, by working together to resolve the short- and long-term risks facing the EU, set out a path for the future. It could do this by means of a proposal that took all these challenges into account while helping farmers to transition towards a world with fewer pesticides.

The proposal's objectives were very clear: they aimed to protect everyone's health – particularly that of farmers and workers, but also that of the most vulnerable members of society – and to safeguard biodiversity, because pesticides were now found everywhere, in our soil, water and air.

The proposal would also help to build an agricultural system that was stronger, better equipped to cope with shocks and more adaptable, particularly as regards pesticide resilience, through a shift from dependence on a set of chemicals to the guarantee of a real alternative. It ensured the continuity of the existing regulatory framework by strengthening and clarifying the rules while also making them more coherent.

The proposal included a total ban on pesticide use in sensitive areas, particularly areas used by the general public – like public parks or gardens, playgrounds, recreation or sports grounds, and public paths – and environmentally sensitive areas.

It also laid down legally binding targets to reduce by 50%, by 2030, the use of and risk from chemical pesticides and the use of the most hazardous pesticides. National

targets would have to take into account each Member State's specific situation. The number of pesticides used and trends in pesticide sales would also be taken into consideration. Doing this would ensure a fair, reasonable and achievable approach.

Setting targets was never easy, but it had to be done in order to face up to future challenges. Moreover, significant progress had already been made: the use of and risk from chemical pesticides had decreased by 14% and the use of the most hazardous pesticides had decreased by 26%.

The proposal would help farmers to be more resilient in the future and would also help to protect their health. The Commission would ensure that farmers practised integrated pest management, which involved considering all alternative methods of pest control first and only using chemical pesticides as a last resort.

Ms KYRIAKIDES welcomed the fact that, in close cooperation with Mr WOJCIECHOWSKI, a special adjustment to the rules of the common agricultural policy had been introduced in the text in order to provide five years of financial and technical support to aid farmers through this transition.

While it was impossible to gauge the real cost of inaction, Europe's agriculture and food system, and even its people's way of life, depended on pollinators and access to healthy nature and ecosystems. Climate change and the lack of pollinators would hit farmers the hardest, and no amount of EU funding would be able to solve these problems if action were not taken now.

The EU's international partners would also be affected if Europe did not invest in tomorrow's challenges today, bearing in mind that many of these problems were already with us.

Ms KYRIAKIDES concluded by stressing that the Commission had to take decisive action now to live up to the expectations of European citizens, respond to the European Parliament's requests and deliver on the political commitments the Commission itself had made.

Mr SINKEVIČIUS expressed his satisfaction with the progress that had been made on the Regulation on nature restoration: the proposal had a clear direction, was driven by ambition and pragmatism and was grounded in science. He highlighted the extensive scientific work that had gone into the proposal, which had been two years in the making and had involved leading scientists from EU services and agencies and renowned experts from all over the world.

Science itself was urging us to take action to halt biodiversity loss, and to do so as quickly as possible. At present, almost one million species were at risk of extinction. More worryingly still, this figure was constantly increasing and even accelerating.

This same acceleration could be seen in the rate of climate change. This was not a coincidence: biodiversity loss and climate change were very closely linked and were often driven by the same factors, such as unsustainable human activity, especially in agriculture and land use.

As with climate change, time was running out for the fight against biodiversity loss. Referring to the work of the Intergovernmental Panel on Climate Change, Mr SINKEVIČIUS pointed out that we were approaching a time when natural and human systems would be pushed beyond their ability to adapt. He stressed that this was one single crisis that was affecting the entire planet and all of humankind and called for strong action by the European Union, which had a duty to lead the way. It was not just the beauty of nature and its importance in our everyday lives that was at stake. It was also biodiversity, which was the very foundation of all human activities.

The business case for the proposal was extremely clear: for every euro spent on nature restoration, we would receive eight in return, in particular in terms of food productivity, resilience to climate change, soil fertility, and other key socio-economic benefits provided by ecosystems. This is why the Commission's Biodiversity Strategy, adopted in 2020, had proposed setting legally binding targets for nature restoration.

Nature restoration and nature protection were two distinct concepts, and there were already many pieces of legislation that aimed to protect nature. The proposal being presented that day aimed to restore biodiversity and ecosystems so that we could live and thrive with nature. It was a law for all the people in Europe and for the generations to come, for a healthy planet and a healthy economy. This was the very essence of the message set out in the European Green Deal: the only growth we should promote was green and sustainable.

Both the Council and the European Parliament had been calling for a legislative initiative like this one. The Commission had also received strong encouragement from various stakeholder groups, and not just the usual non-governmental organisations and conservation groups: small farmers, tourism organisations, energy companies and extraction industries had been among those voicing their support.

But most importantly, this legislative initiative was also called for by European citizens as reflected in many of the recommendations they had made as part of the Conference on the Future of Europe.

The proposal would also be an essential EU contribution to negotiations on a post-2020 global biodiversity framework, which was to be adopted at the COP 15 of the Convention on Biological Diversity that would take place in Montreal in December 2022.

Referring to the main elements of the proposal, Mr SINKEVIČIUS noted that, as it had done for the climate, the Commission was setting EU-wide objectives to implement restoration measures in respect of 20% of the land and sea in the EU by 2030, and in respect of all ecosystems requiring restoration by 2050.

The proposal combined these general objectives with targets, in particular for pollinators, agricultural land, forests and urban ecosystems, citing as an example that the net loss of urban green areas would have to be halted by 2030 and that these would have to increase annually by 5% until 2050.

Mr SINKEVIČIUS felt that the objectives had been set in an ambitious but realistic way that expressed the EU's political commitment and vision, while ensuring that the Member States would be able to implement them, which was why the proposed instrument, although a Regulation, included clear elements of subsidiarity.

Member States would have two years following the adoption of the proposal to define their national restoration plans, in consultation with stakeholders and scientists, allowing them to identify the most suitable restoration measures to be implemented and to take into account their specific environmental and socio-economic situations. The Commission would then review the plans and make recommendations.

Mr SINKEVIČIUS concluded his presentation by stressing the importance of appropriate communication following the Commission's adoption of this proposal. He reiterated that there could be no food security without nature restoration.

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

- the importance of these ambitious, science-based proposals, which would in particular help to counter the worrying disappearance of pollinators;
- the value, in order to maintain EU food security, of developing new methods for producing as much and better food, without pesticides, which was all the more necessary as the targeted organisms became increasingly resistant to the pesticides used;
- the recognition of three distinct time lines: firstly, the long-duration European Green Deal and Biodiversity Strategy, secondly, the duration of the assistance available to overcome the current difficulties and, thirdly, the duration of the cumulative impact on the agricultural and forestry sectors of all the measures proposed, in the context of food insecurity;

- a reminder of the concerns expressed by European citizens, in particular the youngest, during the Conference on the Future of Europe, and the fact that the package presented responded to several of the recommendations submitted;
- the importance for the Commission of properly communicating the binding targets, which were realistic and achievable, and the financial and technical assistance available to stakeholders in the sectors concerned, who needed support, visibility and predictability in order to be agents of change;
- the concern expressed as regards farmers, in a context in which incomes depended on yields and public spending on research was not sufficiently directed towards more innovative and non-chemical products;
- the recognition that the new generation of farmers was more aware of environmental and sustainability issues and was more prepared to experiment with new products and better alternatives;
- a reminder that there was also work to be done to educate citizens in urban centres, who often used dangerous products in their gardens, close to sensitive areas;
- some questions about the scientific studies used or available, for example on the tolerance of pollinators to pesticides;
- the varying situations in the Member States in terms of pesticide use and the need to adapt the objectives to these starting points;
- a reminder of the general context of a war on Europe's doorstep and the resulting food crisis; the question of whether it would be appropriate in this context to postpone the adoption of these proposals.

Ms KYRIAKIDES stressed that the objective of restoring nature was part of a long-term process that went far beyond current events, and that the latter did not call into question the validity of the objectives set and the need to act without delay.

She also pointed out that citizens from across Europe and across various walks of life had recommended during the Conference on the Future of Europe a ‘drastic reduction of chemical pesticides and fertilizers in all types of farms’ and ‘the development of sustainable agriculture, including the respect for nature and the workers’. She confirmed the need to communicate clear messages to the agricultural sector and to highlight the positive effects of the proposed measures for those directly dependent on a healthy natural environment for their livelihoods.

Finally, she observed that setting targets for each Member State was always proving to be a difficult exercise. However, she also stressed that the objectives set in the proposal for a Regulation aiming at reducing the use of plant protection products took into account the results already achieved so far in each Member State.

As regards food security, Mr SINKEVIČIUS pointed out that the EU remained one of the world’s largest exporters of agricultural products and that there was a margin for it to increase production by using fallow land. He argued that the current crisis on agricultural markets was in fact logistical in nature, taking into account the disruption of supply chains caused by the war in Ukraine. He also called for reflection on other relevant factors related to demand for food products, such as overconsumption and waste.

He also pointed out that Member States would have two years to prepare their national action plans for nature restoration and reduction of the use of chemical pesticides. In this context, they would be able to choose whether to include agricultural land.

Finally, he noted that the agricultural sector was also under pressure from large-scale retailers, who pushed for the continual reduction of prices and jeopardised the viability of the sector. The sector therefore needed comprehensive reform and a paradigm shift in order to promote healthier and more environmentally-friendly agriculture, develop viable economic activity and ensure more sustainable food systems by 2030.

Mr TIMMERMANS considered that the geopolitical context did not mean that the EU could resign itself to inaction over the coming decades. He welcomed the study on food security that would be undertaken in the context of the two proposed initiatives, as it would provide clarity on the implications and outcomes of the current crisis.

He concluded by pointing out that, although there would probably not be unanimous agreement on these initiatives across all economic sectors, they would nevertheless be welcomed by millions of Europeans who wanted healthier and more environmentally-friendly lives and felt that combating climate change was a top priority.

The PRESIDENT wound up the discussion by stressing the importance of promoting accurate, fact-based communication to EU citizens and international partners. She pointed to the heavy responsibility that the Russian regime bore for the food crisis triggered by the invasion of Ukraine. Almost 20 million tonnes of grain were currently blocked in Black Sea ports because of the war. The increase in customs duties on exports of Russian agricultural products was also contributing directly to the increase in prices.

Following these presentations, the Commission:

- adopted the proposal for a Regulation in COM(2022) 305/3 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the national parliaments, together with the staff working document, the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 169, SWD(2022) 170, SWD(2022) 171 and SEC(2022) 257, the contents of which were noted;
- adopted the proposal for a Regulation in COM(2022) 304/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the national parliaments, together

with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 167, SWD(2022) 168/2 and SEC(2022) 256, the contents of which were noted.

**11. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – THE POWER OF TRADE PARTNERSHIPS: TOGETHER FOR GREEN AND JUST ECONOMIC GROWTH
(COM(2022) 409 TO /3; RCC(2022) 147)**

The PRESIDENT asked Mr DOMBROVSKIS to present the Communication “The power of trade partnerships: together for green and just economic growth”.

Mr DOMBROVSKIS explained that the Communication concerned the Commission’s review of sustainable development aspects in the EU’s trade policy. The new EU trade strategy, which the Commission had adopted in February of the previous year, made sustainability one of the three pillars of EU trade policy, together with openness and assertiveness. The Commission had already indicated that trade policy would play a greater role in promoting sustainability, and the Communication presented that day delivered on that commitment.

He pointed out that EU trade deals encouraged partner countries to adopt more climate-friendly and environmentally-friendly practices and to respect human and labour rights. Promoting increased global environmental ambitions and respect for labour rights depended on the EU’s openness and readiness to engage with others. Trade agreements were a powerful tool at the EU’s disposal to achieve those objectives.

He noted that in the current period of geopolitical uncertainty and war in Ukraine, it was more important than ever for the EU to remain a credible trading partner that

engaged with its closest allies. The EU's capacity to conclude and ratify bilateral trade agreements was paramount in that respect, and it should link up with regions of the world that were experiencing strong growth in order to ensure diversification of supplies and access to export markets, so that its dependence could not be politically exploited.

The aim was to promote a consensual and balanced EU approach towards its trading partners, while strengthening the role of trade agreements for sustainability. All recent EU trade agreements already contained trade and sustainable development chapters, with a broad set of commitments. The Communication highlighted how the Commission would further strengthen the sustainable development aspects of its trade agreements, in particular as regards implementation and enforcement.

Mr DOMBROVSKIS then turned to the key points of the review.

First, the EU should build on internationally recognised standards and be ready to provide technical and financial assistance to partner countries, making cooperation and dialogue the guiding lights.

Second, the EU should identify and target priority issues before negotiations started, as there was no 'one-size-fits-all' for all trading partners concerned.

Third, it was important to mainstream sustainability in all free trade agreements. For example, the EU should consider opening up new markets for importing and exporting sustainable finished products and raw materials, and avoid barriers to trade in those goods.

Fourth, implementation should be harmonised, and a joint effort should be made in that regard by the Commission departments, the European institutions and the Member States. It was also proposed to make it easier to register complaints about breaches of sustainable development commitments in EU trade agreements.

Fifth, the EU should continue to strengthen the role of civil society through financial and logistical support, so that civil society could play a stronger role in monitoring the implementation of trade and sustainable development chapters.

Lastly, sixth, enforcement should be effective and assertive. The EU approach should remain essentially focused on cooperation and engagement, but there might be circumstances in which trade sanctions were warranted as a last resort. The EU needed to strike the right balance, which was why the Commission was proposing to introduce trade sanctions for core trade and sustainable development provisions. These were the core principles of the International Labour Organization and material breaches of the Paris agreement. It was proposed to apply those trade sanctions on the basis of the EU's standard dispute settlement system and only as a last resort. Thus, if an independent panel of experts found that a partner in a free trade agreement had breached one of the core trade and sustainable development provisions, and the partner did not comply, the EU would be able to suspend tariff preferences.

In concluding his presentation, Mr DOMBROVSKIS explained how the new approach would be implemented and pointed out that many of the measures planned could be deployed immediately, including in existing free trade agreements. For some measures, such as sanctions, the EU would change the template for its trade and sustainable development chapters. This change would be tested for the first time in the negotiations with New Zealand, which the Commission hoped to be able to conclude soon. It would then be applied to all future negotiations, as well as to other ongoing negotiations, as appropriate.

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

- the need for an EU trade policy suited to developing global sustainability and managing climate change; the positive role that the Communication could play in that regard;

- the need to include environmental and social conditions in free trade agreements, including the International Labour Organization’s new principle of health and safety at work as a key building block of the single market, which should also be complied with globally;
- the decision, which was welcomed, to combine the monitoring of implementation and sanctions within the same framework;
- the political desirability of putting EU and third-country companies on an equal footing as regards the requirement to report on their sustainability; requests to that effect from the European Parliament during the negotiations on the proposal for a directive on corporate sustainability reporting;
- progress in interinstitutional discussions on the forced labour initiative.

Following the presentation, the Commission approved the Communication in COM(2022) 409/3 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and, for information, to the national parliaments.

12. OTHER BUSINESS (CONTINUED)

LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

The PRESIDENT invited Mr BORRELL to brief the College on the latest developments in external relations and Ms JOHANSSON to update the College on the situation of Ukrainian refugees in the Member States.

Mr BORRELL first discussed the recent issues concerning the checks carried out by the Lithuanian authorities on Russian goods transiting through Lithuanian territory to the Russian enclave of Kaliningrad. He considered that – as indicated by the Lithuanian authorities – the checks had been carried out in accordance with the Commission’s guidelines for implementing the EU’s sanctions against Russia.

He then updated the College on the status of the most recent talks held between Ukraine and Russia under the auspices of the United Nations to allow grain and other agricultural products to be exported from Ukraine to third countries. He was supporting as well as he could the efforts of the United Nations Secretary-General and was ready to clarify the scope of the EU sanctions against Russia.

In this context, he noted that he was in regular contact with the EU's various international partners, including those in Africa, to find solutions to the problems relating to the availability and high price of Ukrainian and Russian agri-food products, which were caused by the Russian-waged war.

Mr BORRELL then drew the College's attention to an analysis of global vaccine donations carried out by the European External Action Service (EEAS), which showed that the EU was the biggest contributor, having provided over 475 million doses, compared with China's 100 million doses and Russia's mere 1.5 million doses.

Lastly, he noted that Iran had switched off the cameras installed by the International Atomic Energy Agency (IAEA) at its nuclear power plants. This risked jeopardising the ongoing negotiations to keep the Joint Comprehensive Plan of Action (JCPOA) alive. In this connection, Mr BORRELL would soon visit Tehran.

Ms JOHANSSON provided an update on the latest figures concerning Ukrainian refugees in the Member States: 7.5 million people had entered the EU from Ukraine since the start of the Russian military aggression, 1.5 million of whom were EU or Moldovan citizens.

She added that 3 million people had returned to Ukraine, meaning that around 3.5 million people from Ukraine were currently divided between the different Member States, around 3.4 million of whom had applied for temporary protection in one or more Member States.

She stressed that, in this connection, the Czech Republic was the country that had received the largest number of Ukrainian refugees per capita, followed by Poland. If asylum seekers from other third countries were added, then Cyprus was the Member State with the largest number of third-country nationals per capita in its territory. Lastly, she pointed out that around 450 000 Ukrainian children were currently at school in the Member States.

A very short discussion followed, during which reference was made to the Cohesion's Action for Refugees in Europe (CARE) programme, which was about to be extended to help better identify the needs of local authorities in the Member States as regards the hosting of refugees and to ensure that the needs of municipalities and regions were better taken into account at national level.

The Commission took note of this information.

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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 11.59.