



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2001)1533 final

Brussels, 4 September 2001

MINUTES
of the 1533rd meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 25 July 2001
(morning)

These minutes were approved by the Commission at its 1534th meeting, held in Strasbourg on 4th September 2001.

They contain 28 pages.

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Single sitting: Wednesday 25 July (morning)

The sitting opened at 0930 hours with Mr Prodi, President, in the chair.

It was adjourned between 1400 hours and 1445 hours.

Present:

Mr PRODI	President
Mr KINNOCK	Vice-President
Ms de PALACIO	Vice-President
Mr MONTI	
Mr FISCHLER	
Mr LIIKANEN	
Mr BOLKESTEIN	
Mr BUSQUIN	
Mr SOLBES	
Mr NIELSON	
Mr VERHEUGEN	
Mr LAMY	
Mr BYRNE	
Mr BARNIER	
Ms REDING	
Ms SCHREYER	
Ms WALLSTRÖM	
Mr VITORINO	
Ms DIAMANTOPOULOU	

Absent:

Mr PATTEN

The following sat in to represent absent Members of the Commission

Mr LEFFLER Deputy Chef de cabinet to Mr Patten

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr HOUTMAN	Deputy Chef de cabinet to the President	Item 17
Mr GOZI	A member of the President's staff	
Ms GROEBNER	A member of the President's staff	Items 14, 15, 16 and 19
Mr GUSSETTI	A member of the President's staff	Item 20
Mr DE LECEA	A member of the President's staff	
Mr SMULDERS	A member of the President's staff	Item 17
Mr FAULL	Commission Spokesman	
Mr CARVOUNIS	Press and Communication DG	
Mr GOOCH	Press and Communication DG	Items 18 and 19
Mr KEMPPINEN	Press and Communication DG	Item 17
Ms MASCARDI	A member of Ms de Palacio's staff	Item 20
Mr BERGARECHE	A member of Ms de Palacio's staff	
Ms RODRIGUEZ	A member of Mr Monti's staff	Item 5
Mr ITALIANER	Chef de cabinet to Mr Verheugen	
Ms GARZON	A member of Mr Lamy's staff	Items 18 and 19
Mr GUTH	Chef de cabinet to Ms Schreyer	
Mr ANNERBERG	Chef de cabinet to Ms Wallström	
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino	Item 5
Mr VIGNON	Secretariat-General	
Mr DE RYNCK	Secretariat-General	
Mr SANDLER	Secretariat-General	

Secretary: Mr O'SULLIVAN, Secretary-General, assisted by Mr BISARRE, Director in the Secretariat-General.

1. AGENDAS

(OJ(2001)1533/3; SEC(2001)1264/2)

The Commission took note of the agenda for that day's meeting and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2001)1533)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 23 July.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1532nd MEETING (18 July)

(PV(2001)1532 to /2; PV(2001)1532, Part II)

The Commission approved the minutes of its 1532nd meeting.

4. PARLIAMENT

PARLIAMENTARY AFFAIRS GROUP

(SP(2001)2572)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on Thursday 19 July.

It paid particular attention to the following:

a) **Preparations for September I part-session**

(point 1 of the record)

The Commission, in accordance with the rules in force, authorised the Commission Members responsible, in agreement with the PRESIDENT, Ms de PALACIO and any other Members associated, to take a position on Parliament's amendments to its proposals.

b) **Interinstitutional relations**

(point 2 of the record)

Protocols of agreement on cooperation between the Commission and the Economic and Social Committee and between the Commission and the Committee of the Regions

The Commission approved the PRESIDENT's approach of signing a joint statement with each of the two bodies defining their relations with the Commission. It agreed to add to the text of the statements in SP(2001)2519 a reference to the White Paper on the reform of European governance (item 9 of the present agenda) and to publish specific press releases on the occasion of the signings, scheduled for 12 and 20 September.

The Commission also approved the text of the protocols, as set out in SP(2001)2519, accompanying the statements.

5. MONITORING THE APPLICATION OF COMMUNITY LAW: STATE AID AND INFRINGEMENTS

5.1. STATE AID

(SEC(2001)1273 and /2)

The Commission adopted the decisions in SEC(2001)1273/2, subject to the following clarification:

C 23/1997

GERMANY

Non-execution of Commission Decision 2000/129/EC of 20 July 1999

Case: Lautex Weberei und Veredlung GmbH

(SEC(2001)1161 to /3)

Decision: to refer this aid to the Court of Justice, in accordance with the decision in SEC(2001)1161/3.

5.2. PROPOSAL FOR A COUNCIL REGULATION ON STATE AID TO THE COAL INDUSTRY

(COM(2001)423 to /5)

Decision: to adopt the proposal for a Regulation in COM(2001)423/5 for transmission to the Council and, for opinions, to Parliament, the ECSC Consultative Committee, the Economic and Social Committee and the Committee of the Regions.

**5.3. COMMISSION COMMUNICATION TO THE MEMBER STATES
AMENDING THE COMMUNICATION UNDER ARTICLE 93(1) OF
THE TREATY CONCERNING THE APPLICATION OF ARTICLES 92
AND 93 OF THE TREATY TO SHORT-TERM EXPORT CREDIT
INSURANCE
(SEC(2001)1263 and /2)**

Decision: to approve SEC(2001)1263/2, including a Commission communication and proposals for appropriate measures under Article 88(1) of the EC Treaty, for transmission to the Member States.

**5.4. METHODOLOGY FOR ANALYSING STATE AID LINKED TO
STRANDED COSTS
(SEC(2001)1238 to /3)**

Decision: to adopt the communication in SEC(2001)1238/3.

**5.5. INFRINGEMENTS
(SEC(2001)1284 and /2; SEC(2001)1285 to /3)**

**A) REPORT A1 - 2001 - DOSSIERS HELD OVER FOR
UNAVAILABILITY OF TEXT - REGULARISATION
(SEC(2001)1284 and /2)**

The Commission adopted the decisions in SEC(2001)1284/2.

**B) REPORT A1-2001 - URGENT OR DEFERRED CASES
(SEC(2001)1285 to /3)**

The Commission adopted the decisions in SEC(2001)1285/3, subject to the following clarifications:

1999/2162

FRANCE

Practice of identifying non-French candidates by their nationality on voting papers

Decision: Held over

2001/2169

FRANCE

Reference quantities for import of bananas

Decision: Letter of formal notice + press release (deadline for reply: 10 days)

6. WRITTEN PROCEDURES AND EMPOWERMENT

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2001)1265 to /5)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted by written procedure between 16 and 20 July.

6.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2001)1267)

The Commission took note of the following written procedures initiated between 16 and 20 July for the adoption of decisions with political implications:

Time limit: 23.07.2001

E/2001/1457 - COM(2001)421 Trade DG

Proposal for a Council Regulation amending Regulation (EC) No 772/1999 imposing definitive anti-dumping and countervailing duties on imports of farmed Atlantic salmon originating in Norway.

Time limit: 24.07.2001

E/2001/1469 - C(2001)2307 Health & Consumer Protection DG

Commission decision on an administrative arrangement for information sharing on consumer policy and protection between the Government of Australia and the European Commission.

Time limit: 26.07.2001

E/2001/1488 - COM(2001)435 Economic and Financial Affairs DG

Commission annual report on the borrowing and lending activities of the Community in 2000.

E/2001/1535 - COM(2001)447 Justice and Home Affairs DG

Proposal for a Council Regulation establishing the criteria and mechanisms for determining the Member State responsible for examining an asylum application lodged in one of the Member States by a third-country national.

Time limit: 27.07.2001

E/2001/1505 - SEC(2001)1280 Secretariat-General

Commission response to Economic and Social Committee opinions adopted at plenary sessions during the first quarter of 2001 (sessions of January, February and March).

6.3. EMPOWERMENT

(SEC(2001)1268 to /5; SEC(2001)1269 to /5)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 16 and 20 July.

6.4. GENERAL EMPOWERMENT IN THE FIELD OF ACTIONS

COFINANCED BY THE EUROPEAN REFUGEE FUND

(SEC(2001)1218)

The Commission granted the empowerment set out in SEC(2001)1218.

6.5. GENERAL EMPOWERMENT IN THE FIELD OF PRE-ACCESSION

ASSISTANCE FOR AGRICULTURE AND RURAL DEVELOPMENT

(SAPARD II - DECENTRALISED MANAGEMENT)

(SEC(2001)1290)

The Commission granted the empowerment set out in SEC(2001)1290.

6.6. GENERAL EMPOWERMENT IN THE FIELD OF RESEARCH:

COMPOSITION OF THE EUROPEAN RESEARCH ADVISORY BOARD

(SEC(2001)1295)

The Commission granted the empowerment set out in SEC(2001)1295.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2001)1270/2)

ADMINISTRATIVE MATTERS
(PERS(2001)236/2)

7.1. DG RTD - EXTENSION OF CONTRACT OF A TEMPORARY A2
OFFICIAL

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr BUSQUIN, the Commission decided to authorise the renewal for five years of the temporary contract of Mr Christian PATERMANN, temporary A2 official and Director in the Research DG, due to expire on 31 October 2001.

7.2. APPOINTMENTS

DG JRC.B - A2 post of Director

The Commission had before it applications under Article 29(1)(a) and (1)(c) of the Staff Regulations for the A2 post of Director in the Joint Research Centre from Mr Aristotelis BOURATSIS, Mr Hendrik FEHR, Ms Marleen HARFORD, Mr Jean-Claude HEALY and Mr Jean-Pierre VANDERSTEEN (PERS(2001)187 to /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 28 June and 12 July (PERS(2001)187/5 and /6).

The Commission proceeded to compare the applicants' qualifications for the post. It also examined the reports on their ability, efficiency and conduct in the service. On a proposal from Mr KINNOCK, in agreement with Mr BUSQUIN, the Commission then decided to appoint Mr Jean-Pierre VANDERSTEEN to the post.

This decision would take effect only when the Commission had appointed a new accounting officer or interim accounting officer.

DG MARKT - A1 post of Deputy Director-General

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A1 post of Deputy Director-General in the Internal Market DG from Mr Michel AYRAL, Mr Alfonso MATTERA RICIGLIANO and Mr Paul WATERSCHOOT (PERS(2001)114 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 17 May and 28 June (PERS(2001)114/3 and /4).

The Commission proceeded to compare the applicants' qualifications for the post. It also examined the reports on their ability, efficiency and conduct in the service. On a proposal from Mr KINNOCK, in agreement with Mr BOLKESTEIN, the Commission then decided to appoint Mr Alfonso MATTERA RICIGLIANO to the post.

This decision would take effect from a date to be fixed later.

7.3. PREPARATIONS FOR ESTABLISHMENT OF THE EUROPEAN FOOD AUTHORITY

The Commission took note of the information communicated by Mr BYRNE in SEC(2001)1289 and noted that arrangements would be put before it at the appropriate time for the publication of the post of Executive Director of the European Food Authority and for launching the selection procedure.

7.4. EURATOM SUPPLY AGENCY - DEPUTISING FOR POST OF DIRECTOR-GENERAL

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Ms de PALACIO, and in accordance with Article 24 of the Rules of Procedure, the Commission decided to appoint Mr Christian WAETERLOOS, A2 official and Director of the Euratom Safeguards Office, temporarily to the post of Director-General of the Euratom Supply Agency.

This decision would take effect immediately.

**8. DEBATE ON THE FUTURE OF THE UNION - STATE OF PLAY
(SEC(2001)1279 to /3)**

The Commission took note of the information in SEC(2001)1279/3.

**9. IMPLEMENTING ACTIVITY-BASED MANAGEMENT IN THE
COMMISSION
(SEC(2001)1197 to /7)**

The Commission:

- approved the communication in SEC(2001)1197/6 and /7 and authorised the PRESIDENT to transmit it to Parliament, the Council, the Court of Auditors, the Economic and Social Committee and the Committee of the Regions;
- asked departments to implement it on the basis of the technical notes distributed in SEC(2001)1197/6;
- asked the Secretariat-General to oversee, and to report regularly to the Reform Group of Commission Members on, progress made in implementing the ABM system within the Commission;
- noted that an annual assessment would be put before it from 2002 onwards.

**10. PROPOSAL FOR A PARLIAMENT AND COUNCIL REGULATION ON
CROSS-BORDER PAYMENTS IN EURO**

(COM(2001)439 to /6; SEC(2001)1291)

The Commission approved the proposal in COM(2001)439/6 for transmission to Parliament, the Council, the Economic and Social Committee, the Committee of the Regions and the European Central Bank.

**11. COMMISSION DECISION UNDER ARTICLE 82 OF THE EC TREATY
(C(2001)1934)**

The Commission:

- took note of the final report of the Hearing Officer of 29 June in C(2001)1934;
- took note of the opinion of the Advisory Committee on Restrictive Practices and Dominant Positions of 2 July in C(2001)1934;
- adopted, in the authentic language (German), the decision in C(2001)1934, concluding that the firm in question had infringed Article 82 of the EC Treaty and imposing on it a symbolic fine of €1 000.

**12. APPLICATION OF COUNCIL REGULATION (EC) No 4064/89 ON THE
CONTROL OF CONCENTRATIONS BETWEEN UNDERTAKINGS
(C(2001)2365 to /3)**

The Commission:

- took note of the opinion of the Advisory Committee on Concentrations of 16 July in C(2001)2365;
- took note of the final report of the Hearing Officer in C(2001)2365/3;

- adopted, in the authentic language (English), the decision in C(2001)2365/2, declaring the merger operation notified (Case COMP/M.2333) to be compatible with the common market.

The decision would be published in the Official Journal (with all business secrets deleted) in all the official Community languages.

13. COMMUNITY SHIPBUILDING - TEMPORARY DEFENCE MECHANISM (COM(2001)401 to /6)

The Commission adopted the proposal for a Regulation in COM(2001)401/6 for transmission to Parliament and the Council.

14. IMPACT OF ENLARGEMENT ON REGIONS BORDERING CANDIDATE COUNTRIES - COMMUNITY ACTION FOR BORDER REGIONS (COM(2001)437 to /5; SEC(2001)1288)

The Commission approved the communication in COM(2001)437/4, took note of the technical annex in COM(2001)437/5, and decided to transmit the communication to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

**15. DRAFT COMMISSION REGULATIONS AMENDING THE ANNEXES TO
REGULATION (EEC) No 2377/90 LAYING DOWN A COMMUNITY
PROCEDURE FOR THE ESTABLISHMENT OF MAXIMUM RESIDUE
LIMITS OF VETERINARY MEDICINAL PRODUCTS IN FOODSTUFFS
OF ANIMAL ORIGIN
(SEC(2001)1208 and /2; SEC(2001)1209; SEC(2001)1211 and /2;
SEC(2001)1215 and /2)**

The Commission approved the draft Regulations in SEC(2001)1208/2, SEC(2001)1209 and SEC(2001)1211/2, for presentation to the appropriate regulation committee.

The Commission noted in this connection that the problems encountered in classifying vitamin A under Regulation 2377/90 highlighted the need to revise this Regulation, in particular for substances for which the existing Annexes provided no suitable management tool for providing consumer protection.

**16. COMMISSION DECISION SETTING THE DATE ON WHICH DISPATCH
FROM PORTUGAL OF BOVINE PRODUCTS UNDER THE DATE-BASED
EXPORT SCHEME MAY COMMENCE
(C(2001)2363)**

The Commission adopted the decision in C(2001)2363.

**17. EUROPEAN GOVERNANCE: A WHITE PAPER
(COM(2001)428 to /5; SEC(2001)1283)**

The PRESIDENT presented a draft Commission White Paper on European governance.

He reminded the meeting of the reasons for initiating this process and its fundamental objectives: faced with the public's increasingly evident loss of confidence in European institutions and policies, ways must be found to open up the Union's policymaking process, and to promote wider participation by citizens and organisations in the conception and application of Union policies.

This increased involvement by all participants should make policies more effective and cause them to be better accepted and applied.

These changes could not be achieved by the Commission alone, and would require a joint effort by all the institutions and, in the present and future Member States, by national administrations, regions, local authorities and civil society.

The proposals focused primarily on a range of initial actions that could be implemented immediately under the current Treaties; in parallel, publication of the White Paper would trigger a consultation process lasting up to the end of March 2002 on the action required by other institutions and the Member States.

By the end of 2002, the Commission would report on progress and draw the conclusions of the consultation begun by the White Paper.

The Commission held an in-depth exchange of views on the draft White Paper with a view to clarifying its scope, identifying certain specific aspects to be studied in greater depth later, and refining certain passages.

As regards the scope of the White Paper, it was clarified that, though based on an analysis under the Treaty as it stood, it was part of the overall reflection process begun in the wake of the decisions of the Nice Intergovernmental Conference and that it constituted an initial contribution by the Commission to that process. Further contributions should follow, for instance on institutional reform, the allocation of powers, the objectives of the Union and the future of the European project itself.

The exchange of views also covered the following subjects, some of which would require further study later:

- the inclusion of subsidiarity and proportionality in the list of the principles of governance;
- the need to refocus the Union's activities on its core tasks;
- the identification of the interlocutors of civil society to be involved in the process of shaping policies;
- the conditions under which a dialogue with the regions could be introduced;
- the balance to be struck between widening the consultation process on the one hand, and simplifying procedures and retaining control of the decision-making process proper, on the other;
- the implications of so-called committee procedures for the respective roles of the Council and Parliament;
- the improvements to be made in the information and communication process.

The Commission adopted various amendments to the draft text, including to its title (*European Governance: a White Paper*), which would be included in a final version of the document before the end of the meeting.

Subject to these amendments, the Commission approved the White Paper in COM(2001)428/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

18. PROPOSAL FOR A REGULATION CONCERNING TRACEABILITY AND LABELLING OF GENETICALLY MODIFIED ORGANISMS AND TRACEABILITY OF FOOD AND FEED PRODUCTS PRODUCED FROM GENETICALLY MODIFIED ORGANISMS

(COM(2001)182 to /6; SEC(2001)886; SEC(2001)890; SEC(2001)1286; SEC(2001)1292; SEC(2001)1309)

19. PROPOSAL FOR A REGULATION ON GENETICALLY MODIFIED FOOD AND FEED

(COM(2001)425 to /7; SEC(2001)1286)

Ms WALLSTRÖM and Mr BYRNE presented in succession two proposals concerning genetically modified organisms (GMOs):

- a proposal for a Regulation on the traceability of GMOs and by-products of GMOs, and on the labelling of GMOs (communication from Ms WALLSTRÖM and Mr BYRNE);
- a proposal for a Regulation on genetically modified food and feed (communication from Mr BYRNE in agreement with the PRESIDENT, Mr LIIKANEN and Ms WALLSTRÖM).

Ms WALLSTRÖM pointed out that the proposal relating to the traceability and labelling of GMOs came in response to the wishes of the Member States and Parliament which the Commission had undertaken to satisfy at the conciliation meeting before adoption of the revision of Directive 90/220. This proposal sought firstly to enable the identification of GMOs placed on the market, without imposing an undue burden on operators, and secondly to require all live GMOs to be labelled.

Mr BYRNE stated that the proposal relating to genetically modified food and feed was aimed at introducing:

- an improved procedure for assessing the safety of genetically modified food;

- a centralised safety assessment and authorisation procedure for genetically modified food and feed;
- harmonised and comprehensive rules for the labelling of both categories of products.

Ms WALLSTRÖM and Mr BYRNE pointed out that these two proposals would have the effect of updating the Community legislative framework in relation to GMOs, to meet requests from Member States and consumer expectations, and to enable the authorisation process for placing GMOs on the market, which had been suspended since October 1998, to be relaunched.

The Commission focused its discussions on the extension of the requirement for labelling by-products of GMOs, as provided for in the second proposal for a Regulation (genetically modified food and feed).

These provisions were analysed in the light of two concerns:

- the advisability of laying down such a requirement when the presence of GMOs was no longer detectable in the by-products of GMOs;
- the compatibility of this provision with current WTO rules on non-tariff barriers to trade on the one hand and the Community's negotiating strategy in the coming multilateral trade negotiations on the other.

Following this discussion, the Commission decided:

- a) to amend the text to be placed on the labels of by-products of GMOs. In COM(2001)425/5, in Articles 14(1)(a), 14(1)(b), 14(1)(c) and 27(3)(a), the words "produced from genetically modified [name of organism]" were replaced by:

"produced from genetically modified [name of organism] but not containing a genetically modified organism";

- b) to include a clause providing for a review after two years. In Article 46(12), the deadline for review, originally planned after a period of implementation of five years, was brought forward to two years after implementation of the Regulation.

As regards the proposal for a Regulation on the traceability of GMOs and by-products of GMOs (COM(2001)182/5), the Commission adopted an amendment adding the following text to Article 4(2):

"However, the information under (b) above may be replaced by a declaration by the operator that the product shall only be used as food or feed, or for processing with the unique codes for the GMOs that the product may contain."

Subject to these amendments, the Commission:

- approved the proposal for a Parliament and Council Regulation on the traceability of GMOs and by-products of GMOs and on the labelling of GMOs as set out in COM(2001)182/5 and /6;
- approved the proposal for a Parliament and Council Regulation on genetically modified food and feed as set out in COM(2001)425/5 and /7;
- decided to transmit these proposals to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

**20. COMMUNICATION ON THE APPLICATION OF PROTOCOL No 9
(ECOPOINTS) FOR 2000
(SEC(2001)1278 to /3)**

Ms de PALACIO reported on exchanges with the Austrian authorities about the reliability of statistics on transit traffic through Austria of lorries heavier than 7.5 tonnes for 2000.

The available statistics did not show conclusively that the number of such transits in 2000 was higher than the threshold of 108% of the total for the reference year (1991).

Therefore, under protocol No 9 of the Act of Accession of Austria, it was not necessary to present a proposal to reduce the quantity of ecopoints in 2001, and she intended immediately to distribute the remaining ecopoints for 2001, and to inform the Austrian authorities accordingly.

The Commission took note of this information.

21. OTHER MATTERS

21.1. G8 SUMMIT (GENOA, 20/22 JULY) ***(SEC(2001)1294)***

The President reported on the key features of the G8's discussions:

- the announcement of a plan for Africa, to be clarified at a forthcoming G8 meeting in Canada;
- the creation of a global health fund, endowed with USD 1.4 billion, into which the Community had undertaken to pay EUR 120 million;
- the call for the opening of a new round of multilateral trade negotiations at the Ministerial Conference of the World Trade Organisation (WTO) in Doha (Qatar).

On the other hand, disagreements remained with the United States on climate change and the ratification of the Kyoto protocol.

Future summits would be much lower-key affairs, and the size of delegations would be greatly reduced.

21.2. BONN CONFERENCE ON CLIMATE CHANGE
(SEC(2001)1313)

Ms WALLSTRÖM referred to the information note distributed to all Members on the Bonn Ministerial Conference on climate change.

She drew attention to the leading role assumed by the Community and to the team spirit of the EU delegation.

The success of the Bonn Conference paved the way for ratification of the Kyoto protocol, and in this connection she would be presenting several proposals in the autumn (ratification of the Kyoto protocol; strategy for reducing greenhouse gas emissions: framework directive for a system of emissions trading within Europe).

21.3. EU-US TRADE DISPUTES

Mr LAMY reported on four trade disputes between the European Union and the United States.

After trying to find a negotiated solution, the EU had initiated two sets of proceedings in the WTO: one against the US anti-dumping legislation (Byrd amendment) and the other against the measures taken by the USA against European privatised companies in the steel sector.

In two other sets of proceedings initiated by the EU against US legislation - the Anti-Dumping Act of 1916 on the one hand, and the provisions relating to music copyright (Irish music exemption) on the other - the WTO panel had come down in favour of the European Union. The deadline for bringing US legislation into line, originally set for the end of July , had in both cases been postponed to the end of December in order to enable a reasonable solution to be found.

Mr LAMY also reminded the meeting that, following the report of the WTO panel responsible for considering the US legislation on export tax relief (Foreign Sales Corporations - FSC), the United States would have to take a decision on bringing its legislation into conformity during August 2001.

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The meeting closed at 1745 hours.

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