



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

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Brussels, 26 September 2001

MINUTES
of the 1536th meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 19 September 2001
(morning)

These minutes were approved by the Commission at its 1537th meeting, held in Brussels on 26th September 2001.

They contain 21 pages.

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Single sitting: Wednesday 19 September (morning)

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

Present:

Mr PRODI President

Mr KINNOCK Vice-President

Ms de PALACIO Vice-President

Mr MONTI

Mr FISCHLER

Mr LIIKANEN

Mr BOLKESTEIN

Mr BUSQUIN

Items 12 to 15

Mr SOLBES

Mr NIELSON

Mr VERHEUGEN

Mr PATTEN

Mr LAMY

Mr BYRNE

Mr BARNIER

Ms REDING

Ms SCHREYER

Ms WALLSTRÖM

Mr VITORINO

Ms DIAMANTOPOULOU

The following sat in to represent absent Members of the Commission

Mr SEATTER	Deputy Chef de cabinet to Mr Busquin	Items 1 to 11
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The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr MANSERVISI	Chef de cabinet to the President	
Mr SMULDERS	A member of the President's staff	Items 11 and 12
Mr FAULL	Commission Spokesman	
Mr CARVOUNIS	Press and Communication DG	
Mr ITALIANER	Chef de cabinet to Mr Verheugen	Items 11 and 12
Mr GUTH	Chef de cabinet to Ms Schreyer	Items 11, 12 and 14
Mr CAVACO	Chef de cabinet to Mr Vitorino	Items 11 and 12
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino	Items 11 and 12
Ms CABRAL	A member of Mr Vitorino's staff	Items 11 and 12

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

1. AGENDAS

(OJ(2001)1536/3; SEC(2001)1390/2)

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)1536)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 17 September.

3. APPROVAL OF MINUTES OF 1535th MEETING (12 September)

(PV(2001)1535)

The Commission approved the minutes of its 1535th meeting.

4. PARLIAMENT

PARLIAMENTARY AFFAIRS GROUP

(SP(2001)3059)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group of 13 September.

It paid particular attention to the following:

a) **Interinstitutional relations**

(point 1 of the record)

Codecision procedure Article 251 EC - State of progress on dossiers at first and second reading

(SPI(2001)124 and SPI(2001)125)

The Commission took note of the state of progress on the dossiers at first and second reading. It invited departments actively to continue their informal contacts at the appropriate level with representatives of the Council and Parliament, particularly for the dossiers which SPI(2001)124 and SPI(2001)125 suggested might be closed at this stage.

b) **Preparations for September II part-session**

(point 2 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.

c) **Action taken on Parliament's opinions and resolutions**

(point 5 of the record)

The Commission adopted SP(2001)2982 on the action taken on Parliament's opinions and resolutions at the July part-session, with a new version of the action taken on the FLESCH report (p.16-18) as distributed in the Parliamentary Affairs Group meeting, for transmission to Parliament.

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

(SEC(2001)1408/2; SEC(2001)1412/2; SEC(2001)1425)

5.1. STATE AID

(SEC(2001)1408/2)

The Commission adopted the decisions in SEC(2001)1408/2.

5.2. INFRINGEMENTS

(SEC(2001)1412/2; SEC(2001)1425)

A) URGENT OR DEFERRED CASES

(SEC(2001)1412/2)

The Commission adopted the decisions in SEC(2001)1412/2, subject to
the following amendment:

2000/2171

BELGIUM

Internal market in electricity

Decision: Held over for one week.

B) REPORT A1 - 2001 - DOSSIERS HELD OVER FOR

UNAVAILABILITY OF TEXT - REGULARISATION

(SEC(2001)1425)

The Commission adopted the decision in SEC(2001)1425.

6. WRITTEN PROCEDURES AND EMPOWERMENT

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2001)1391 to /5; SEC(2001)1392)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted by written procedure between 10 and 14 September.

6.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2001)1393)

The Commission took note of the following written procedures initiated between 10 and 14 September for the adoption of decisions with political implications:

Time limit: 17.9.2001

E/2001/1853 - C(2001)2663

EuropeAid Cooperation Office

Commission decision concerning project B7-701/2001/3019 (EU-China Network on Human Rights Covenants) for an amount of €1 400 000; to authorise the corresponding commitments under budget heading B7-701.

Time limit: 19.9.2001

E/2001/1878 - C(2001)2680

EuropeAid Cooperation Office

Commission decision concerning a project to be financed from the resources of the EU budget: Observer mission for parliamentary elections in Nicaragua, 4 November 2001, for a total of €998 915 - B7-709N/2001/3146; to authorise the corresponding commitments under budget heading B7-709.

Time limit: 20.9.2001

E/2001/1880 - COM(2001)519

Economic and Financial Affairs DG

Proposal for a Council decision amending Decision 1999/733/EC providing supplementary macrofinancial assistance to the Former Yugoslav Republic of Macedonia.

6.3. *EMPOWERMENT*

(SEC(2001)1394 to /5; SEC(2001)1395 to /4; SEC(2001)1401)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 10 and 14 September.

6.4. *DELEGATION OF POWERS IN THE FIELD OF INTELLECTUAL PROPERTY (DELEGATION TO DIRECTORS-GENERAL AND DEPARTMENT HEADS)*

(SEC(2001)1397)

The Commission adopted the delegation of powers decision set out in SEC(2001)1397.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2001)1396/2)

ADMINISTRATIVE MATTERS
(PERS(2001)261/2; PERS(2001)164 to /4)

7.1. DG BUDG - REDEPLOYMENT OF AN A2 OFFICIAL

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Ms SCHREYER, decided to fill the post of Director of Directorate BUDG-D (Central Financial Service) by transferring, with his post and in the interest of the service, Mr Philippe TAVERNE, A2 official, currently Director of Directorate ADMIN-A.

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

7.2. DG RTD - A2 POST OF DIRECTOR OF DIRECTORATE RTD-B

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director of Directorate RTD-B (European Research Area: Structural matters) from Mr Egidio BALLABIO, Mr Jean-Noel DURVY, Mr Horst FORSTER, Mr Giulio GRATA, Mr Roderick HURST, Mr Peter KIND, Mr Nicholas NEWMAN and Mr Isi SARAGOSSI (PERS(2001)164 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 13 June and 24 July (PERS(2001)164/3 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 the PRESIDENT and Mr BUSQUIN, it then decided to appoint Mr Peter KIND to the post.

This decision would take effect from 1 October.

**8. INDICATIVE MULTIANNUAL PROGRAMME ON COMMUNITY
FINANCIAL AID IN THE FIELD OF THE TRANS-EUROPEAN
TRANSPORT NETWORK FOR 2001-06
AD HOC EMPOWERMENT OF MS DE PALACIO FOR THE ADOPTION
OF DECISIONS TO GRANT FINANCIAL SUPPORT TO IDENTIFIED
PROJECTS OR GROUPS OF PROJECTS
(C(2001)2654 to /3)**

The Commission:

- approved the decision in C(2001)2654 and /3;
- empowered Ms de PALACIO to adopt the decisions to grant financial support to the projects or groups identified at item 2 of the communication to the Commission in C(2001)2654 and /3.

**9. PROPOSAL FOR A COUNCIL DECISION ESTABLISHING THE
COMMUNITY POSITION ON THE ACCESSION OF THE PEOPLE'S
REPUBLIC OF CHINA TO THE WORLD TRADE ORGANISATION (WTO)
(COM(2001)517 to /3)**

**10. PROPOSAL FOR A COUNCIL DECISION ESTABLISHING THE
COMMUNITY POSITION ON THE ACCESSION OF THE SEPARATE
CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU
(CHINESE TAIPEI) TO THE WORLD TRADE ORGANISATION (WTO)
(COM(2001)518 to /3)**

The Commission approved the proposals set out in COM(2001)517 and COM(2001)518 for transmission, with the technical documents drawn up by the World Trade Organisation, to the Council and Parliament.

**11. PROPOSAL FOR A COUNCIL FRAMEWORK DECISION ON THE
EUROPEAN ARREST WARRANT AND THE SURRENDER PROCEDURES
BETWEEN THE MEMBER STATES
(COM(2001)522 to /6; SEC(2001)1422)**

Mr VITORINO introduced a proposal for a Council framework decision on the European arrest warrant and surrender procedures between Member States.

The proposal met the request by the Tampere European Council to the Commission, recently renewed following the terrorist attacks on 11 September, to make proposals for abolishing "the formal extradition procedure ... between Member States for persons who are fleeing from justice after having been finally sentenced" and replacing it with "a simple transfer of such persons, in compliance with Article 6 of the TEU".

He stressed the ambitious and innovative nature of this proposal:

- it allowed the surrender not only of convicted persons, but also of those suspected of criminal activities;
- it abolished the political and administrative stages of the present extradition procedure and put in its place a purely judicial procedure;
- it abolished the specific situation of nationals: a State may no longer refuse to hand over its own nationals;
- it abolished the principal of dual criminality, except in some exceptional cases.

The text, which was intended to replace all existing extradition provisions, would serve not only to modernise and simplify the traditional extradition mechanism, but also to make a specific multilateral legal instrument available to all Member States.

This was a particularly sensitive proposal, and its adoption and implementation would imply a very high degree of mutual confidence between Member States.

The Commission welcomed the innovative nature of the proposal, and went on to discuss certain specific points, such as the scope of Article 27 (lists of exceptions enabling a Member State to execute a European arrest warrant), and the date by which Member States must take the measures necessary to comply with the framework decision.

In this connection, Mr VITORINO would be supplying the Commission with a "scoreboard" document summarising the work completed under the mandate conferred on the Commission by the Tampere European Council, and he would arrange for specific information to be provided to national parliaments on this proposal.

Following this discussion, the Commission adopted the proposal for a framework decision on the European arrest warrant and surrender procedures between Member States (COM(2001)522/5 and /6), for transmission to Parliament and the Council.

**12. PROPOSAL FOR A COUNCIL FRAMEWORK DECISION ON
COMBATING TERRORISM (ARTICLE 34(2)B TEU)
(COM(2001)521 to /6; SEC(2001)1422)**

Mr VITORINO introduced a proposal for a Council framework decision on terrorism.

This proposal, which had been in preparation for several months following intensive consultations with the Member States, was urgently awaited in the Council and the Member States following the terrorist attacks in America on 11 September, although it did not of itself address the need for enhanced international cooperation in combating terrorism.

The essential purpose of the proposal was to make available to all Member States the legislative instruments necessary to combat terrorism and to cooperate among themselves in this mission.

The fundamental elements of the proposal lay in the definition of terrorist acts set out in Article 3 and in the specification of criminal penalties (Article 5).

The Commission held an exchange of views on the various components of terrorist acts and the need to opt for the broadest and most objective definition possible.

Following this discussion, the Commission adopted the proposal for a framework decision on combating terrorism (COM(2001)521/5 and /6), for transmission to Parliament and the Council.

The Commission then went on to hold a more general discussion on the international aspects of combating terrorism.

Referring to the two proposals considered at items 11 and 12 above, Mr VITORINO and the whole Commission paid tribute to the impressive and high-quality work carried out by the relevant departments of the Justice and Home Affairs DG.

The Commission noted in this connection that any additional tasks the Council might confer upon it in the JHA field must be accompanied by the granting of appropriate resources.

13. COUNCIL MEETINGS

(SI(2001)947)

13.1. EXTRAORDINARY COUNCIL MEETING (TRANSPORT) ***(BRUSSELS, 14 SEPTEMBER)***

Ms de PALACIO reported on the main conclusions of the special Council meeting convened on 14 September following the terrorist attacks in New York and Washington on 11 September.

Having noted the emergency measures taken by the Member States and the American authorities to ensure the safety of air transport, the Council had:

- invited the Commission to set up an *ad hoc* multidisciplinary group co-chaired by the Presidency and the Commission, whose tasks would be to consider the requirements for coordination and cooperation within the Union in the field of security, to consider legislative initiatives to guarantee their uniform application, and to check on consistency between Community rules and US legislation. The group should make an initial report to the Council by 15 October;
- decided to transmit to the ICAO general assembly (25 September) a document on improving cooperation and coordination at world level.

**13.2. INFORMAL MEETING OF ENVIRONMENT AND TRANSPORT
MINISTERS**

(LOUVAIN-LA-NEUVE, 15 AND 16 SEPTEMBER)

(SEC(2001)1446)

Ms de PALACIO and Ms WALLSTRÖM referred Members to the detailed information in SEC(2001)1446.

13.3. INFORMAL MEETING OF AGRICULTURE MINISTERS

(ALDEN BIEZEN, 16, 17 AND 18 SEPTEMBER)

Mr FISCHLER and Mr BYRNE reported briefly on the subjects raised at the informal meeting:

- the use of biocarbons, and
- genetically modified organisms (GMOs), the ministers' discussions having been preceded by a hearing of international experts, who had confirmed the absence of any scientific proof that GMOs were harmful.

13.4. INFORMAL MEETING OF TRADE MINISTERS

(BRUGES, 6 AND 7 SEPTEMBER)

Mr LAMY reported on the disagreement expressed by one Member State on the advisability of opening in the short term a new round of international trade negotiations and on the subject areas to be tackled in any such negotiations.

13.5. SPECIAL COUNCIL MEETING (JUSTICE AND HOME AFFAIRS)

(BRUSSELS, 20 SEPTEMBER)

Mr VITORINO gave an update on the agenda planned for the special JHA Council meeting on 20 September, which would primarily be considering the two proposals dealt with at items 11 (European arrest warrant) and 12 (framework decision on terrorism), as well as the strengthening of the role of Europol.

**13.6. INFORMAL MEETING OF MINISTERS FOR ECONOMIC AND
FINANCIAL AFFAIRS
(LIÈGE, 21, 22 AND 23 SEPTEMBER)**

Mr SOLBES announced the main points to be dealt with:

- at the Eurogroup meeting: changeover to the euro; general economic situation; international role of the euro;
- at the meeting of ministers: general economic situation; changeover to the euro; taxation; EIB loans to the Federal Republic of Yugoslavia;
- over lunch: developments on financial markets; ways of tackling volatility.

**13.7. EUROPEAN COUNCIL
(BRUSSELS, 21 SEPTEMBER)**

The President confirmed that the Heads of State or Government would be meeting exceptionally on 21 September to consider developments in the international situation, on both the economic and political fronts, following the terrorist attacks in the United States on 11 September.

14. RELATIONS WITH NON-MEMBER COUNTRIES

**FINANCIAL CONTRIBUTIONS TO THE UN RELIEF AND WORKS AGENCY
FOR REFUGEES FROM PALESTINE IN THE MIDDLE EAST (UNWRA)
(SEC(2001)1410 to /5)**

The Commission took note of the Financial Controller's comments in SEC(2001)1410 to the effect that, during an audit carried out in 1999 by the relevant Commission departments, certain shortcomings had been identified in the financial management and control procedures of UNWRA.

It noted, however, that a new audit carried out in August 2001 had shown both that a number of reforms had already been introduced by UNWRA and should produce results from September 2001, and that UNWRA had agreed to comply with certain recommendations concerning the submission of accounts to an annual audit and the preservation for three years of supporting documents for expenditure.

In the light of the decisions already taken and the assurances given by UNWRA, the Commission approved the approach proposed in the communication from Mr PATTEN and Mr NIELSON, in agreement with Ms SCHREYER (SEC(2001)1410/4 and /5), and accordingly gave its agreement to the disbursement of the first and second instalments of the Commission's annual contribution to UNWRA for 2001.

The Commission decided to follow closely the implementation of the reforms of the financial management systems to which UNWRA had committed itself.

It also noted that, following the conference of donors to be held on 23 September, it could be called upon to take a decision on a request from UNWRA for an additional, exceptional contribution to the UNWRA budget.

15. OTHER BUSINESS

SECURITY PRECAUTIONS IN COMMISSION BUILDINGS

Mr KINNOCK reported on the strengthening of security arrangements for access to Commission buildings (enhanced controls; requirement to produce staff card).

Staff would also be invited to wear their staff cards visibly inside Commission buildings.

The strengthening of these controls would require extra resources in terms of staff (surveillance staff) and equipment (electronic detectors).

The Commission agreed to this approach.

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The meeting closed at 1215 hours.

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