



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2002)1565 final

Brussels, 7 May 2002

MINUTES
of the 1565th meeting of the Commission
held in Brussels
(Breydel)
on Tuesday 30 April 2002
(morning)

These minutes were approved by the Commission at its 1566th meeting, held in Brussels on 7th May 2002.

They contain 21 pages.

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Single sitting: Tuesday 30 April (morning)

The sitting opened at 0920 hours with Mr Prodi, President, in the chair.

Present:

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

Absent:

Mr FISCHLER
Mr LAMY
Mr BYRNE

The following sat in to represent absent Members of the Commission

Ms DORAN	Deputy Chef de cabinet to Mr Fischler
Mr GOSSET-GRAINVILLE	A member of Mr Lamy's staff
Mr POWER	Chef de cabinet to Mr Byrne

The following also sat in

Mr MARENCO	Principal Legal Adviser
Mr MINGASSON	Director-General, Budget
Mr FAULL	Commission Spokesman
Mr MANSERVISI	Chef de cabinet to the President
Mr ABOU	Chief Adviser in the President's Office
Mr de LECEA	Adviser in the President's Office
Mr KOOPMAN	Chef de cabinet to Mr Kinnock
Mr LUCHNER	A member of Mr Kinnock's staff
Mr FONSECA	Deputy Chef de cabinet to Mr Vitorino
Mr CARVOUNIS	Director in the Press and Communication DG

Secretary: Mr O'SULLIVAN, Secretary-General, assisted by Mr BROCHART, Unit Head in the Secretariat-General, and Mr KERSTING, Principal Administrator in the Secretariat-General.

1. AGENDAS

(OJ(2002)1565/3; SEC(2002)468/2)

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(2002)1565)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 29 April.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1564th MEETING

(24 April)

(PV(2002)1564 and /2; PV(2002)1564, Part II)

The Commission approved the minutes of its 1564th meeting.

4. PARLIAMENT

4.1. APRIL II PART-SESSION

(SP(2002)1411)

The Commission took note of the record of Parliament's part-session held in Brussels on 24 and 25 April.

4.2. ACTION TO BE TAKEN ON PARLIAMENT'S OPINIONS
(SP(2002)1419)

The Commission approved the empowerment decisions in SP(2002)1419.

4.3. PARLIAMENTARY AFFAIRS GROUP
(SP(2002)1523)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on Thursday 25 April.

5. PERMANENT REPRESENTATIVES COMMITTEE

MEASURES TO SUPPORT ROAD HAULIERS - REFERRAL TO THE
COUNCIL UNDER ARTICLE 88(2) OF THE EC TREATY

Further to its discussions on this matter on 24 April (PV(2002)1564, item 13), the Commission was informed of developments in the negotiations within the Council bodies. It noted in particular the probability that the Council would reach a unanimous decision, in which case the Commission would have to ask for the entry of a statement in the Council minutes so as to reserve all its rights and freedom of action under the Treaty.

6. MONITORING THE APPLICATION OF COMMUNITY LAW
(C(2002)1475/2; C(2002)458/6; SEC(2002)498; SEC(2002)499)

6.1. STATE AID - CASE DEFERRED
(C(2002)1475/2)

The Commission adopted the following decision in C(2002)1475/2:

N 558/2001

GERMANY

Aid for technology transfers - Saxony

Decision: to raise no objection, considering the aid to be compatible with the EC Treaty, as set out in C(2002)1475/2.

**6.2. APPLICATION OF THE RULES ON COMPATIBILITY OF STATE AID
WITH THE COMMON MARKET (CONSECUTIO LEGIS)
(C(2002)458/6)**

The Commission decided to hold this item over for a later meeting.

**6.3. INFRINGEMENTS
(SEC(2002)498; SEC(2002)499)**

The Commission adopted the following decisions:

2001/0001

FRANCE

Dangerous substances - Directive 99/51/EC

(SEC(2002)498)

Decision: referral withdrawn

2000/0537

BELGIUM

Practice of the profession of lawyer - Directive 98/5/EC

(SEC(2002)498)

Decision: referral withdrawn

1999/0237

NETHERLANDS

Registration of persons sailing on board passenger ships -

Directive 98/41/EC

(SEC(2002)498)

Decision: referral withdrawn

1999/5197

GERMANY

Nature - Directive 92/43, Motorway between Nesselwang and Fuessen,

Bavaria

(SEC(2002)499)

Decision: letter of formal notice

7. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

7.1. WRITTEN PROCEDURES APPROVED

(SEC(2002)469 to /5)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted by written procedure between 22 and 26 April.

7.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2002)470)

The Commission took note of written procedures initiated between 22 and 26 April for the adoption of decisions with political implications.

7.3. EMPOWERMENT

(SEC(2002)471 to /5)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 22 and 26 April.

7.4. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 22 and 26 April, as archived on the "Grefte 2000" (Registry) website.

**7.5. EMPOWERMENT AND DELEGATION PROCEDURES IN
AGRICULTURE**

(SEC(2002)432 and /2)

The Commission granted the empowerments and delegations of powers set out in SEC(2002)432 and /2.

8. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2002)472/3)

ADMINISTRATIVE MATTERS
(PERS(2002)64)

8.1. APPOINTMENTS

DG ELARG.E - A2 post of Director

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director of Directorate E (Resources and Finance) in the Enlargement DG (PERS(2001)290 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 19 February and 13 March (PERS(2001)290/3, /4 and /5).

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 VERHEUGEN, it then decided to appoint Mr A. BONUCCI to the post.

This decision would take effect from 16 May.

DG AIDCO.H - A2 post of Director

The Commission had before it applications under Article 29(1)(a) of the Staff Regulations for the A2 post of Director of Directorate H (General Affairs) in the EuropeAid Cooperation Office DG (PERS(2002)13).

The Commission took note of the opinions of the Consultative Committee on Appointments of 9 February and 13 March (PERS(2002)13/2, /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, Mr PATTEN and Mr NIELSON, the Commission decided to appoint Mr T. de SAINT MAURICE to the post.

This decision would take effect from 1 July.

8.2. *DG RELEX.K - TEMPORARY A2 APPOINTMENT OF DIRECTOR*

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr PATTEN, the Commission decided that Mr Jean VAN DE CALSEYDE, A3 Unit Head, should be deemed temporarily to have occupied the post of Director of Directorate K (External Service) in the External Relations DG, under Article 7(2) of the Staff Regulations, from 15 September 2001 to 1 April 2002.

This decision would take effect immediately.

8.3. *VACANCY NOTICES*

DG JRC.E - A2 post of Director

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr BUSQUIN, the Commission approved the vacancy notice in PERS(2002)65 and asked DG ADMIN to publish it.

8.4. *RETIREMENT OF AN A1 OFFICIAL CURRENTLY ON LEAVE ON PERSONAL GROUNDS*

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr PATTEN, the Commission accepted the request to be retired submitted by Mr Juan PRAT Y COLL, A1 official, currently on leave on personal grounds,

and in accordance with Article 52 of the Staff Regulations it set the date from which this decision would take effect at 1 June 2002.

OTHER MATTERS

8.5. *EXTENSION OF MANAGEMENT CONTRACTS FOR THE INDIVIDUAL EXPERTS SCHEME UNTIL THE END OF 2002* ***(SEC(2002)497 and /2)***

The Commission agreed to the extension of these contracts until 31 December, as set out in SEC(2002)497.

9. FIFTH COMMISSION REPORT ON THE SITUATION IN WORLD SHIPBUILDING ***(COM(2002)205 to /3)***

The Commission approved the report in COM(2002)205/3 for transmission to the Council, Parliament and the Economic and Social Committee.

10. ADMINISTRATIVE AND BUDGETARY MATTERS (continued from item 8) ***(SEC(2002)472/3)***

OTHER MATTERS

BERLAYMONT - PROGRESS REPORT ***(SEC(2002)488 to /4)***

Following a review by Mr KINNOCK of the various aspects of the dossier and possible future developments, the Commission confirmed its support for the

approach proposed and empowered Mr KINNOCK, in agreement with the PRESIDENT and Ms SCHREYER, to continue his contacts with the Belgian authorities and to take appropriate follow-up action as set out in SEC(2002)488/4.

11. ACTIVITIES AND HUMAN RESOURCES IN AN ENLARGED EUROPEAN UNION
(COM(2002)218 and /2; SEC(2002)510)

Ms SCHREYER tabled a communication, prepared in cooperation with all Commission departments, taking stock of the Commission's requirements for additional human resources for the period 2004-08, with a view to the forthcoming enlargement. Following redeployments and the abandonment of certain tasks, net requirements came to 3 900 full time equivalents, corresponding to some 13% of the Commission's current human resources. Recruitment would take place not over a single year, but gradually over the five years (68% of the recruitments were covered by the current financial perspective). Ms SCHREYER pointed out that this approach was in line with the comprehensive financial framework decided upon by the Berlin European Council for enlargement, and with the comprehensive framework for the budget in the context of the accession negotiations agreed by the Commission on 30 January. She was pleased that the requests presented by the Commission were soundly based in comparison with those drawn up at this stage by other Community institutions. The communication was intended to be transmitted to the budgetary authority as a contribution to the adjustment of the financial perspective for 2004 with a view to enlargement.

In the light of comments made during the meeting, the Commission noted in particular:

- that it agreed to consider any means available, transitional or permanent, to ensure the greatest possible degree of flexibility in the recruitment triggered by securing the additional posts;
- that at this stage it would not prejudge the allocation of new resources between Commission departments, which would be carried out in accordance with the normal annual budget procedures;
- that during the present year a specific communication would be put before it relating to the recruitment of nationals of the new Member States.

Concluding the debate, the PRESIDENT pointed out in particular that it would be desirable to maintain effective flexibility in recruitments, taking account of the capacity for absorption as well as of the need to preserve a demographic balance between age brackets.

Following its discussion, the Commission adopted the substance of the communication in COM(2002)218/2. It empowered Ms SCHREYER, in agreement with the PRESIDENT, Mr KINNOCK and Mr VERHEUGEN, to finalise this for transmission to the budgetary authority and, for information, to the other Community institutions and bodies.

12. PRELIMINARY DRAFT BUDGET FOR 2003 (SEC(2002)464 to /13)

In presenting the preliminary draft budget for 2003, Ms SCHREYER drew particular attention to the sound budgetary balance resulting from the very careful preparation of the dossier, and thanked all Commission departments for their contribution to this process. Noting the advantages of presenting expenditure by policy-related activities, she mentioned the most significant items under the various headings. In

this connection, she noted the agreement reached as regards the allocation of €25 million for the new EIB instrument for the Mediterranean. As regards administrative expenditure, she drew attention to the absolute priority given to the future enlargement, with a view to which the preliminary draft budget would contain a request for 500 new posts. By contrast, any other need for additional human resources should be covered by internal redeployment. Finally, Ms SCHREYER mentioned certain points relating to the negotiations to be held over the coming months within the budgetary authority.

The Commission held an exchange of views, noting in particular the following points:

- the redeployment of human resources within the Directorates-General responsible for external relations would be preceded by the analysis, already in progress, of the current structures of these departments;
 - Mr SOLBES expressed concern about the possibilities of completing certain statistical research work, particularly in the more complicated situation that would result from enlargement;
 - contacts would take place between Mr VERHEUGEN, Ms REDING and Ms SCHREYER concerning problems in connection with the translation and publication of the existing body of Community law and practice in the countries likely to become members of the European Union in the near future.
- Ms SCHREYER reminded the meeting in this connection that the preliminary draft budget included an appropriation of €11 million for this purpose.

The PRESIDENT congratulated Ms SCHREYER and her departments on the exemplary preparation of the preliminary draft budget for 2003. He particularly thanked Mr MINGASSON, Director-General for Budgets, for the quality of his

work in that post, as he would be transferring to the post of Director-General for Enterprise on 1 July.

After its discussion, the Commission:

- adopted the expenditure estimates in SEC(2002)464/8 to /12 as a basis for the preliminary draft budget (PDB) of the European Communities for financial year 2003;
- further to the proposals constituting the preliminary draft budget for 2003, empowered Ms SCHREYER, in agreement with the PRESIDENT, to finalise and transmit to the budgetary authority a proposal to mobilise the flexibility instrument for a total of €100 million, in line with the provisions of the interinstitutional agreement, with a view to financing requirements not covered by the financial perspective;
- empowered Ms SCHREYER, in agreement with the Commission Members concerned, to make adjustments to the preliminary draft budget following consultation with the EEA countries on their participation in certain Community policies;
- empowered Ms SCHREYER, in agreement with the PRESIDENT, to finalise the various documents making up the preliminary draft budget, including the statement of revenue, for transmission to the budgetary authority;
- approved the multiannual programming for internal policies (heading 3) and external operations (heading 4), as set out in SEC(2002)464/13, and empowered Ms SCHREYER to transmit this to the budgetary authority;
- took note of the indicative financial programming for the other headings, and in particular heading 5 (administrative expenditure) as set out in SEC(2002)464/13.

13. INTERFACE BETWEEN IMPLEMENTATION OF TITLE IV OF THE EC TREATY AND THE PROTOCOL ON THE POSITION OF DENMARK (SEC(2002)483 to /4)

Mr VITORINO tabled a communication containing guidelines for dealing, temporarily and exceptionally, with the specific situation of Denmark, which, because of the Protocol on the position of Denmark, annexed to the Treaty of Amsterdam, was not taking part in the adoption of measures under Title IV of the Treaty establishing the European Community, except for measures aimed at building upon the Schengen *acquis*, for which Denmark may decide whether or not to agree to the creation of an obligation under international law between Denmark and the other Schengen States as well as Ireland or the United Kingdom if they are taking part in the measures in question.

Adoption of this communication would pave the way for the presentation of negotiating mandates to conclude parallel agreements, in the form of instruments of international public law, enabling Denmark, in advance of any renunciation of the Protocol, to take part in certain measures based on Title IV of the EC Treaty (on the criteria and mechanisms for determining the State responsible for considering an application for asylum lodged in a Member State or in Iceland or Norway - the Dublin Convention - and on the "Eurodac", "Brussels I" and "Service of documents" Regulations). The Legal Service had confirmed that such instruments would be legally sound provided they complied with the specific character of Community law, particularly as regards committee procedure, the competence of the European Court of Justice and the rules on external representation. Denmark's participation in these four instruments, as provided for in the draft communication, would be in the Community's interest, allowing equal treatment between Member States for these legislative measures. Denmark's participation would also help to avoid a lack of legal clarity in these areas, given the mutual rights and obligations already in existence.

The Commission held an exchange of views, focusing particularly on the possible precedent that could be set by the conclusion of international agreements between the Community and one of its Member States holding an opt-out. In this connection, Mr VERHEUGEN stated that during the accession negotiations no applicant country had so far asked for such an opt-out. He confirmed that, if such a request were made, it would not be accepted. The danger of "multiplication" therefore seemed to have been avoided.

Replying to various comments, Mr VITORINO pointed out that the proposed solution was a transitional and exceptional one which could not be used as a model for future instruments adopted under Title IV of the EC Treaty, since the Danish Government itself recognised that the definitive solution to non-participation in measures under Title IV lay in the renunciation of the protocol by Denmark. The Community would be in a position to renounce the proposed agreements if Denmark failed to honour the commitments it had made.

On this basis the Commission approved the communication in SEC(2002)483/4 and more particularly the conclusions set out in item 4 thereof.

14. RELATIONS WITH NON-MEMBER COUNTRIES

COMMON FOREIGN AND SECURITY POLICY

SITUATION IN THE MIDDLE EAST

Mr PATTEN reported on the latest developments in the Middle East, particularly the problems faced by the UN mission to Jenin.

He added that on 25 April in Oslo the international donors had promised aid of USD 1.2 billion to the Palestinian authorities, but the estimated requirements came to USD 2 billion for 2002.

15. OTHER BUSINESS

VISIT BY CHANCELLOR SCHRÖDER

The PRESIDENT reported on the main points of his meeting with Chancellor SCHRÖDER; he had been accompanied by Mr MONTI, Mr LIIKANEN, Mr BOLKESTEIN and Ms WALLSTRÖM.

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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 1145 hours.