



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1612 final

Brussels, 21 May 2003

MINUTES
of the 1612th meeting of the Commission
held in Strasbourg
(Winston Churchill Building)
on Tuesday 13 May 2003
(afternoon)

These minutes were approved by the Commission at its 1613th meeting, held in Brussels on 21st May 2003.

They contain 16 pages.

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Single sitting: Tuesday 13 May (afternoon)

The sitting opened at 1340 hours with Mr Prodi, President, in the chair.

Present:

Mr PRODI	President
Mr KINNOCK	Vice-President
Ms de PALACIO	Vice-President
Mr NIELSON	
Mr VERHEUGEN	
Mr LAMY	
Mr BARNIER	
Ms REDING	
Ms SCHREYER	
Ms WALLSTRÖM	
Ms DIAMANTOPOULOU	

Absent:

Mr MONTI
Mr FISCHLER
Mr LIIKANEN
Mr BOLKESTEIN
Mr BUSQUIN
Mr SOLBES
Mr PATTEN
Mr BYRNE
Mr VITORINO

The following sat in to represent absent Members of the Commission

Ms OLIVI	A member of Mr Monti's staff
Ms NEVALAINEN	A member of Mr Liikanen's staff
Mr NØRLUND	Chef de cabinet to Mr Bolkestein
Mr BEKX	Deputy Chef de Cabinet to Mr Solbes
Ms LEONARD	A member of Mr Byrne's staff
Mr PIRÃO	A member of Mr Vitorino's staff

The following also sat in

Mr PETITE	Director-General, Legal Service	
Mr DE OLIVEIRA E SOUSA	Director-General, Press and Communication	
Mr KEMPPINEN	Commission Spokesman	
Mr MAMER	Spokesman	
Mr ABOU	Chief Adviser in the President's Office	
Mr SMULDERS	A member of the President's staff	Item 12
Mr KOOPMAN	Chef de cabinet to Mr Kinnock	Item 11
Ms RYAN	A member of Mr Kinnock's staff	Item 11
Mr SCHINAS	Deputy Chef de cabinet to Ms de Palacio	
Ms PROUT	A member of Mr Verheugen's staff	
Mr CHANTERIE	A member of Ms Reding's staff	Item 12
Mr EMSCHERMANN	A member of Ms Schreyer's staff	
Mr REICHENBACH	Director-General, Personnel & Administration	Item 11
Mr TERBERGER	Personnel & Administration DG	Item 11
Mr HUBER	External Relations DG	Item 11
Mr PONZANO	Secretariat-General	Item 12
Mr MASSANGIOLI	Secretariat-General	

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

1. AGENDAS

(OJ(2003)1612/3; SEC(2003)534/2)

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

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2003)1612)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 12 May.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1611th MEETING

(7 May)

(PV(2003)1611 and /2; PV(2003)1611, Part II)

The Commission approved the minutes of its 1611th meeting.

4. PARLIAMENT

PARLIAMENTARY AFFAIRS GROUP

(SP(2003)1717)

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 8 May.

It paid particular attention to the following:

Preparations for May 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.

In addition to the points covered in the record, it considered the following:

Simple consultation:

- KREISSL-DÖRFLER report, Control of foot-and-mouth disease,
COM(2002)736, 02/0299 (CNS)

The Commission adopted the line set out in SEC(2003)567.

Action taken on Parliament's opinions and resolutions

(point 5 of the record)

The Commission adopted SP(2003)1464 on the action taken on Parliament's opinions and resolutions at its April 2003 part-session, for transmission to Parliament.

The Commission adopted the replies to own-initiative resolutions adopted by Parliament to which the Commission had undertaken to reply (SP(2003)1630), for transmission to Parliament.

5. **PERMANENT REPRESENTATIVES COMMITTEE**

COUNCIL AFFAIRS GROUP (CAG)

(SI(2003)527)

The Commission took note of the record of the meeting of the Council Affairs Group held on Friday 8 May.

It paid particular attention to the following:

Proposal for a Parliament and Council Directive on takeover bids

The Commission noted that Mr BOLKESTEIN would report back to it on developments following the next Coreper meeting and, in any case, before any political agreement was reached on the compromise.

Proposal for a Parliament and Council Directive on temporary work

The Commission asked Ms DIAMANTOPOULOU to negotiate with the Presidency a compromise as close as possible to the initial proposal. It noted that, in the light of the results of the Coreper meeting on 16 May, a document would be put before it clarifying the various options, on which it could take a view at its meeting on Wednesday 21 May.

Draft agreements with the United States on judicial cooperation and extradition

The Commission noted that, in order for these agreements to be signed at the EU-US summit on 25 and 26 June, the draft agreements should be formally adopted at the Council meeting (Justice and Home Affairs) on 5 and 6 June. The content of these agreements was intertwined at numerous points with the application of fundamental rights and the corresponding question of judicial review, and it decided

to make a statement on this subject when the draft agreements were adopted by the Council.

Proposal for a Parliament and Council Regulation concerning sales promotions in the internal market

With a view to a possible political agreement in the Council (Competitiveness) on 19 May, the Commission authorised Mr BOLKESTEIN to oppose any exemption to the principle of mutual recognition, while accepting the exclusion from the scope of the Regulation of sales promotions for the regulated professions and for tobacco. The conversion of the proposal for a Regulation into a proposal for a Directive should not be accepted unless a sufficient majority could not be mustered for a Regulation. In that event, an appropriate statement would be tabled.

Proposal for a Parliament and Council Directive on the amendment of Directive 94/62/EC on packaging and packaging waste - interim arrangement with the future new Member States

The Commission confirmed the approach already put before Parliament involving presentation by the Commission of a proposal amending the current proposal, once this had been adopted by the Council and Parliament.

Working method for an enlarged Council

The Commission referred to initial experience of applying the new Council guidelines concerning the number of seats at Council meetings. It held an exchange of views on the operational difficulties, and possible consequences in terms of the institutional balance, that would arise if the Commission were to be limited to three seats.

It took note of Ms de PALACIO's intention to raise this question at the Council meeting (Transport, Telecommunications and Energy) on 14 May.

6. MONITORING THE APPLICATION OF COMMUNITY LAW

6.1. STATE AID

(SEC(2003)521)

The Commission adopted the decisions in SEC(2003)521.

6.2. INFRINGEMENTS - DOSSIER POSTPONED BECAUSE OF UNAVAILABILITY OF DOCUMENTS - REGULARISATION

(SEC(2003)539)

The Commission adopted the decision in SEC(2003)539.

6.3. INFRINGEMENTS - URGENT OR POSTPONED CASES

(SEC(2003)544)

The Commission adopted the decisions in SEC(2003)544.

7. WRITTEN PROCEDURES AND EMPOWERMENT

7.1. WRITTEN PROCEDURES APPROVED

(SEC(2003)535 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 5 and 8 May.

7.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)536)

The Commission took note of written procedures initiated between 5 and 8 May for the adoption of decisions with political implications.

7.3. EMPOWERMENT

(SEC(2003)537 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 5 and 8 May.

7.4. EXTENSION OF EMPOWERMENT IN AGRICULTURE

(SEC(2003)559)

The Commission empowered the Commission Member responsible for agriculture, on behalf of the Commission and under its responsibility, to adopt the suspension of the possibility of returning the export licence to the issuing body with recovery of part of the amount of security under Article 35(3) of Regulation (EC) No 1291/2000, as set out in SEC(2003)559.

7.5. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 5 and 8 May, as archived on the "Greffé 2000" (Registry) website.

**8. PRELIMINARY DRAFT AMENDING BUDGET No 3/2003 - SECTION III -
COMMISSION
(SEC(2003)552 and /2)**

The Commission approved preliminary draft amending budget No 3/2003 as set out in SEC(2003)552, for transmission to Parliament and the Council.

**9. EU-CANADA RELATIONS
(COM(2003)266 to /3)**

The Commission approved the communication in COM(2003)266/3 for transmission to Parliament and the Council.

**10. DEVELOPMENT OF ENERGY POLICY FOR THE ENLARGED UNION,
ITS NEIGHBOURS AND PARTNER COUNTRIES
(COM(2003)262 to /5; SEC(2003)555/2)**

The Commission approved the communication in COM(2003)262/5 for transmission to the Council and Parliament.

11. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2003)538/3)

ADMINISTRATIVE MATTERS

(PERS(2003)76)

11.1. DG ADMIN- TEMPORARY OCCUPATION OF AN A2-LEVEL POST

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT, decided under Article 7(2) of the Staff Regulations that Mr Frank ASBECK, temporary A3 official and currently Adviser in the Personnel and Administration DG, should be deemed temporarily to have occupied the post of Director of Directorate ADMIN/DS (Security) for the period 1 March 2002 to 28 February 2003.

This decision would take effect immediately.

OTHER MATTERS

11.2. NEGOTIATIONS ON THE REFORM OF THE STAFF REGULATIONS

Mr KINNOCK gave an update on the latest state of negotiations on the reform of the Staff Regulations and the prospects ahead of the Council meeting (General Affairs) on 19 May. With a view to that meeting, the Greek Presidency had drawn up a compromise proposal which met a number of concerns expressed by the Member States but did not call into question the overall balance of the Commission proposal. However, initial consideration of this text in Coreper revealed that some Member States still had problems with two important aspects of the compromise, viz. the temporary contribution and the pension scheme. With a view to further discussions, and since it was in the interests of all to reach political agreement at the Council meeting on 19 May, Mr KINNOCK asked the Commission for a negotiating mandate on these two

aspects. He concluded his presentation by reporting on the intensive contacts that he and the Personnel and Administration DG had had with the staff representatives. If agreement were to be reached in the Council, the trade unions and staff associations would meet the Council in the interinstitutional consultation committee, where they would be able to set out their points of view and their demands. He would see to it that the staff were speedily informed of the details of any agreement.

The Commission thanked Mr KINNOCK for this information. After an initial exchange of views on the questions outstanding, particularly the pension scheme, it adjourned to meet the staff representatives. (This exchange of views is recorded in a separate document.)

Following that meeting, the Commission concluded its discussions in the light of the various points brought to its attention. It paid tribute to the efforts made by the Greek Presidency to reconcile the points of view and mandated Mr KINNOCK to negotiate on the basis he had outlined, in compliance with the undertakings given to the staff and without prejudice to the continuation of close contacts with the trade unions.

12. WORK OF THE CONVENTION

(SEC(2003)565 and /2)

The Commission took note of the information supplied by Mr BARNIER on the discussions in the Convention and their timetable. He drew attention to the main conclusions of the Presidium meeting held on 7 and 8 May, at which draft texts were discussed on Part I of the draft Constitution (objectives; powers; enhanced cooperation; open coordination method) and the second part of the provisions on the institutions. The Presidium had also considered the question of the organisation of

its work up to the European Council meeting and had agreed to hold an intensive round of meetings. It remained unclear whether the Convention would be able to deal satisfactorily with Part III (ex-part II) on Union policies. The next plenary session of the Convention, on 15 and 16 May, would consider the amendments tabled by Convention members to the Presidium's drafts covering Title IV (Institutions of the Union) and external action. There was an excellent analysis of all these amendments (some 1 500) by the Task Force, to which Mr BARNIER referred Members.

13. RELATIONS WITH NON-MEMBER COUNTRIES

13.1. HUMANITARIAN MISSION IN IRAQ

(BAGHDAD, 6 AND 7 MAY)

(SEC(2003)566)

The Commission took note of the further information provided during the meeting by Mr NIELSON following his information note on this subject (SEC(2003)566). He reported on his various meetings in Iraq and his analysis of the situation; although the humanitarian requirements were recognised they remained manageable, but there was still the risk of a humanitarian crisis if the institutions were not reactivated and the basic infrastructure restored. Mr NIELSON pointed to the high quality of the work carried out by the NGOs financed by ECHO as well as by the Office itself.

13.2. WTO - LODGING OF COMPLAINT ON GMOs

Mr LAMY reported that the US authorities were about to lodge a complaint at the WTO against the European moratorium on products containing genetically modified organisms.

He outlined the political and technical context of this move, and offered an initial analysis of its implications.

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The meeting closed at 1630 hours.