



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2003)1619 final

Brussels, 9 July 2003

MINUTES
of the 1619th meeting of the Commission
held in Strasbourg
(Winston Churchill Building)
on Tuesday 1 July 2003
(afternoon)

These minutes were approved by the Commission at its 1620th meeting, held in Brussels on 9 July 2003.

They contain 17 pages.

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Single sitting: Tuesday 1 July (afternoon)

The sitting opened at 1400 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		
Mr NIELSON		Items 1 to 12
Mr VERHEUGEN		Items 1 to 12
Mr PATTEN		
Mr LAMY		
Mr BYRNE		Items 1 to 11
Mr BARNIER		
Ms REDING		Items 1 to 14
Ms SCHREYER		
Ms WALLSTRÖM		Items 1 to 11
Mr VITORINO		Items 1 to 12
Ms DIAMANTOPOULOU		

Absent:

Mr SOLBES

The following sat in to represent absent Members of the Commission

Mr BEKX Deputy Chef de Cabinet to Mr Solbes

The following also sat in

Mr MANSERVISI Chef de cabinet to the President

Mr DE OLIVEIRA E SOUSA Director-General, Press and Communication

Mr KEMPPINEN Commission Spokesman

Mr MAMER Spokesman

Ms RYAN A member of Mr Kinnock's staff Items 1 to 6

Mr VANDENBERGHE A member of Mr Busquin's staff

Ms WEYAND A member of Mr Lamy's staff

Mr KERSTENS A member of Mr Byrne's staff

Ms GAGO-FILORI A member of Mr Vitorino's staff

Mr GALEROS A member of Ms Diamantopoulou's staff

Mr MOAVERO MILANESI Deputy Secretary-General

Mr MASSANGIOLI Secretariat-General

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

1. AGENDAS AND QUARTERLY ROLLING PROGRAMME
(OJ(2003)1619/3; SEC(2003)742/2; SEC(2003)769)

The Commission took note of that day's agenda, the tentative agendas for future meetings, and the rolling programme of items to be entered on the agenda from 9 July to 29 October.

2. WEEKLY MEETING OF CHEFS DE CABINET
(SEC(2003)1619)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 30 June.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1618th MEETING
(24 June)
(PV(2003)1618; PV(2003)1618, Part II)

The Commission approved the minutes of its 1618th meeting.

4. WRITTEN PROCEDURES AND EMPOWERMENT

4.1. WRITTEN PROCEDURES APPROVED
(SEC(2003)743 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 23 and 27 June.

4.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2003)744)

The Commission took note of written procedures initiated between 23 and 27 June for the adoption of decisions with political implications.

4.3. EMPOWERMENT

(SEC(2003)745 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 23 and 27 June.

4.4. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 23 and 27 June, as archived on the "Greffé 2000" (Registry) website.

5. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2003)746/3)

ADMINISTRATIVE MATTERS

(PERS(2003)104/2; PERS(2003)47 to /4)

5.1. DG ELARG/A - A2 POST OF DIRECTOR

The Commission had before it applications for the A2 post of Director of Directorate A (Estonia, Latvia, Lithuania, Poland) in the Enlargement DG, under Article 29(1)(a) of the Staff Regulations (PERS(2003)47 and /2).

The Commission took note of the opinions of the Consultative Committee on Appointments of 7 and 10 April (PERS(2003)47/3 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 VERHEUGEN, it then decided to appoint Mr Dirk MEGANCK to the post.

This decision would take effect on 1 July.

5.2. *DECISION CONCERNING AN A1 OFFICIAL*

It was agreed to allow Mr John Adrian FORTESCUE to take a year out at Harvard University under the Fellowships scheme, in accordance with the arrangements set out in PERS(2003)104/2.

5.3. *DG AIDCO - TEMPORARY OCCUPATION OF AN A2-LEVEL POST*

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT, Mr PATTEN and Mr NIELSON, decided under Article 7(2) of the Staff Regulations that Mr Jacques HAIK, an A3 official, currently Head of Unit H/3 (Computer system and office technology) in the EuropeAid Cooperation Office, should be deemed temporarily to have occupied the post of Director of Directorate AIDCO/H (General Affairs) for the period 1 February to 30 June 2002.

This decision would take effect immediately.

5.4. *IAS - CREATION OF A POST OF ADVISER AND TRANSFER OF AN A2 OFFICIAL TO THE POST*

On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Ms SCHREYER, the Commission decided:

- to create a post of Chief Adviser, reporting to the Director-General of the Internal Audit Service;
- to transfer to it, with his post and in the interest of the service, Mr Horst HUENKE, an A2 official, previously Director of Directorate A (Ex-ante financial control) in the Financial Control DG.

These decisions would take effect immediately.

6. COMMISSION COMMUNICATION IN RESPONSE TO THE REPORT OF THE HIGH-LEVEL GROUP ON INNOVATION AND PROVISION OF MEDICINES

(COM(2003)383 to /4; SEC(2003)775)

The Commission adopted the communication in COM(2003)383/4 for transmission to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions.

7. EXTENSION OF THE SYSTEM OF PAN-EUROPEAN CUMULATION OF ORIGIN TO THE MEDITERRANEAN PARTNERS

(SEC(2003)737 to /5)

The Commission took note of the communication presented by Mr BOLKESTEIN, in agreement with Mr LAMY and Mr PATTEN; it agreed with the conclusions of the communication as set out at item 4 of SEC(2003)737/4.

**8. PAVING THE WAY FOR A NEW NEIGHBOURHOOD INSTRUMENT
(COM(2003)393 to /5; SEC(2003)770)**

The Commission adopted the communication in COM(2003)393/5 for transmission to Parliament, the Council and the acceding countries.

**9. ECOPOINTS - 108% CLAUSE
(SEC(2003)757 and /2)**

The Commission approved the thrust of the communication in SEC(2003)757 and decided not to present a legislative proposal to reduce the number of ecopoints for 2003. The Austrian authorities would be informed of this decision.

10. PARLIAMENT

***PARLIAMENTARY AFFAIRS GROUP
(SP(2003)2309)***

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 27 June.

It paid particular attention to the following:

**Preparations for July part-session
(point 2 of the record)**

The Commission, continuing its discussions from the previous meeting on preparations for the July part-session (PV(2003)1618, item 9.3), considered in particular the following dossiers:

Second reading

- MOREIRA DA SILVA report, Greenhouse gas emission allowance trading, COM(2001)581, 01/0245 (COD) (SP(2003)2179 and /2 - Ms WALLSTRÖM)

The Commission adopted the line set out in SP(2003)2179 and /2, involving the rejection of certain amendments.

- TRAKATELLIS report, Traceability and labelling of genetically modified organisms, (SP(2003)2183 to /4 - Ms WALLSTRÖM)

Ms WALLSTRÖM outlined her analysis of the trends and positions taking shape in Parliament ahead of the report's second reading on Tuesday afternoon. There was a general desire to reach a speedy conclusion and to avoid using the conciliation procedure as far as possible.

The Commission took note of this information and adopted the line set out in SP(2003)2183 to /4, without prejudice to the continuation of contacts with the co-legislators with a view to reaching agreement at second reading.

Empowerment

Under Article 13 of its Rules of Procedure the Commission empowered Ms WALLSTRÖM, in agreement with the PRESIDENT, Ms de PALACIO and any other Members associated, to adopt its opinion on the amendments, together with any amended proposals, on the basis of the line set out in the documents concerned, once Parliament had given its opinion, and transmit them to the Council in accordance with Article 251(2)(c) of the Treaty, for the following:

- MOREIRA DA SILVA report, Greenhouse gas emission allowance trading, (SP(2003)2179 and /2)

- TRAKATELLIS report, Traceability and labelling of genetically modified organisms,
(SP(2003)2183 to /4)

Italian Presidency of the Council

The PRESIDENT reviewed the various dossiers with which the Italian Presidency would have to deal over the second half of the year, the activity programme for which was to be presented to Parliament on Wednesday 2 July. Among the highlights scheduled for this Presidency, which would also involve a major contribution and much work by the Commission, he drew attention to: the launch of the Intergovernmental Conference; the follow-up to the decisions of the Thessaloniki European Council on policy in the Balkans; the finalisation of action plans in support of the neighbourhood strategy; promoting the peace plan in the Middle East and economic reconstruction projects in the region; the development of transatlantic relations; and preparations for the Cancun meeting. On internal affairs, the Italian Presidency would be making a special effort on social security and pensions systems and improving investment in compliance with the Stability Pact. For its part, the Commission, in cooperation with the EIB, would have to prepare a number of projects for the December European Council on public and private investment networks; in the autumn it would present its financing plan for an enlarged Union in the context of the post-2006 financial perspective. The development of scientific cooperation with Russia should continue with a view to the November summit, as well as the negotiation of agreements with the USA on air transport and energy.

11. WORK OF THE CONVENTION

Mr BARNIER reported on the latest meeting of the Presidium on 26 June and the upcoming key dates in connection with the finalisation of the work of the Convention and the launch of the Intergovernmental Conference. As regards the timetable, the Presidium would meet for the last time on 8 July and the Convention would be holding two plenary sessions on 4 July and 9-10 July. The Convention's final report should be handed to the President of the Council by Mr GISCARD d'ESTAING on 18 July, with the decision for the formal launch of the Intergovernmental Conference to be taken on 21 July. In all probability the IGC should be a brief one held at a high level.

As to the substance, the Convention was pressing on with technical adjustments to part III of the draft constitutional Treaty, in accordance with the mandate given by the Thessaloniki European Council. The number of amendments tabled (some 1 700), which were very varied in nature, meant that they could not all be considered. The meeting of the Presidium on 27 June had worked on the basis of a thematic and very selective note from the Secretariat of the Convention, and not much progress had been made. This was one reason why the question of extending qualified majority voting had not been dealt with and the Commission had not been able to get other amendments discussed (such as on research). Similarly, the Commission had proved to be isolated on the amendments concerning public health and on the question of implementing powers in agriculture. However, this did not rule out resumption of discussion of these subjects at the next Presidium meeting, if other Convention members pressed for it strongly enough.

Finally, as regards the preparations for the Commission opinion for the launch of the Intergovernmental Conference, Mr BARNIER pointed out that the Commission would need to hold a general discussion at its meeting on 27 August with a view to formal approval of the opinion in mid-September.

The Commission took note of this information and held an exchange of views in which it considered in particular the question of the structure and status of the External Service. Although the text (footnote) in the draft Treaty on this item was neutral, there were dangers of institutional, decision-making and organisational confusion that could arise from certain ideas currently being put forward. Without prejudice to further efforts on the other sectoral points raised by Mr BARNIER, the Commission confirmed its determination to oppose firmly any backsliding concerning the External Service, and mandated its representatives to defend this position in the Presidium and the plenary.

**12. PROPOSAL FOR A COUNCIL DECISION AMENDING DECISION
2002/834/EC ADOPTING A SPECIFIC PROGRAMME FOR RESEARCH,
TECHNOLOGICAL DEVELOPMENT AND DEMONSTRATION
INTEGRATING AND STRENGTHENING THE EUROPEAN RESEARCH
AREA (2002-06)
(COM(2003)390 to /3; SEC(2003)782; SEC(2003)773)**

The PRESIDENT asked Mr BUSQUIN to present the key points of his communication. In view of the importance of this matter and its sensitivity, the Commission should proceed in two stages and devote an in-depth discussion to the issue that day with a view to a decision at its next meeting.

Mr BUSQUIN confirmed the delicate nature of the dossier and his desire to accommodate various sensitivities in this field. The communication proposed the establishment of an ethical framework for the Community financing of research involving stem cells derived from supernumerary human embryos. It did not seek to lay down ethical rules for research in Europe, and was concerned only with research financed under the framework programme. The proposed approach was in line with

the opinions of the European Ethics Group, and it complied with national rules and values, since no research would be financed in a Member State where such research was banned. There was no intention of proposing a new initiative to promote research on embryonic stem cells; it was merely establishing an ethical framework for research already included in the sixth framework programme adopted by Parliament and the Council. Having clarified the difference between adult stem cells and embryonic stem cells, Mr BUSQUIN pointed to the challenges for medical research and the treatment of various diseases. The ethical debate concerned above all the sources from which embryonic stem cells might be procured, and the potential conflict between the principle of justice for the sick and the moral duty to relieve suffering, on the one hand, and respect for the principle of human dignity, on the other. He outlined the main points of the scientific debate, and the diversity of situations obtaining in the Member States and in the world. After clarifying the institutional backdrop to this matter, he emphasised that presentation of this proposal had been requested by Parliament and was expected by the Council. As to the substance, the proposal laid down a series of criteria and safeguards for research in this area. Despite the limited nature of the financial allocation planned, Mr BUSQUIN emphasised finally that the added value of the Community financing could not be underestimated, given the impact that could be achieved by bringing resources and expertise together.

In the light of the information supplied by Mr BUSQUIN, the Commission held an in-depth discussion in which it considered, among other things, the essential ethical questions raised, the political advisability of such an initiative, the challenges for European research and the cost to the sick of not carrying out such research. It agreed to continue its discussions with a view to taking a decision at its next meeting; it asked Mr BUSQUIN in the meantime to study in greater depth the various points raised during the meeting, including the conditions for a possible cut-off date designed either to prevent the production of supernumerary embryos (which

could be used in research projects financed by the framework programme), or to prevent production of new stem cells.

13. TRENDS IN THE MEMBER STATES

(SEC(2003)776)

The Commission took note of the information note presented by the President and Mr VITORINO on the trends and the main points covered in the media in the Member States in June (SEC(2003)776).

14. COUNCIL MEETINGS

(SI(2003)772)

AGRICULTURE

(LUXEMBOURG, 25-26 JUNE)

(SI(2003)702 to /4)

Mr FISCHLER reported on the Council meeting, at the end of which, after long and arduous negotiations, political agreement on the reform of the common agricultural policy had been reached. This agreement provided for a genuine reform of the CAP and laid the basis for the Union's negotiations in the Doha procedure. It would contribute to the development of a kind of agriculture better adapted to society's requirements and the environment, and complied with the financial framework laid down.

The Commission warmly congratulated and thanked Mr FISCHLER. It endorsed his thanks to Commission departments for the important support work they had carried out in this matter.

15. RELATIONS WITH NON-MEMBER COUNTRIES

15.1. EU - UNITED STATES SUMMIT

(WASHINGTON, 25 JUNE)

(SEC(2003)788)

The PRESIDENT reported on the positive outcome of the EU-US summit, which had been marked on both sides by a spirit of close cooperation and a wish to relaunch the transatlantic relationship. Ms de PALACIO drew attention to the launch of negotiations with the US authorities on the open skies question.

The Commission took note of this information and of the information note from Mr LIIKANEN and Mr LAMY on the relaunch of the transatlantic business dialogue (TABD) (SEC(2003)788).

15.2. CODEX ALIMENTARIUS

On behalf of Mr BYRNE, who was delayed at Parliament's plenary session, Mr LAMY reported that the rules for admission to the Codex Alimentarius, the common FAO and WHO instrument, had been amended to enable the Commission to be a member for the purposes of issues falling within Community competence. This was a major change, after years of effort, for EU intervention in important subjects.

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The meeting closed at 1715 hours.