



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2004)1651 final

Strasbourg, 30 March 2004

MINUTES
of the 1651st meeting of the Commission
held in Brussels
(Breydel)
on Wednesday 24 March 2004
(morning)

These minutes were approved by the Commission at its 1652nd meeting, held in Strasbourg on 30th March 2004.

They contain 27 pages

CONTENTS

Attendance list	4-5
------------------------	------------

1. AGENDAS (OJ(2004)1651/3; SEC(2004)327/2).....	7
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2004)1651)	8
3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1650TH MEETING (16 MARCH) (PV(2004)1650 AND /2)	8
4. PARLIAMENT	8
<i>PARLIAMENTARY AFFAIRS GROUP (SP(2004)1120).....</i>	<i>8</i>
5. MONITORING THE APPLICATION OF COMMUNITY LAW	17
<i>COMMISSION REGULATION ADOPTING PROVISIONS FOR THE IMPLEMENTATION OF COUNCIL REGULATION (EC) No 659/1999 LAYING DOWN DETAILED RULES FOR THE APPLICATION OF ARTICLE 93 OF THE EC TREATY (C(2004)796 to /4; SEC(2004)282)</i>	<i>17</i>
6. WRITTEN PROCEDURES AND EMPOWERMENT	17
6.1. WRITTEN PROCEDURES APPROVED (SEC(2004)328 et seq.)	17
6.2. SENSITIVE WRITTEN PROCEDURES (SEC(2004)329)	18
6.3. EMPOWERMENT (SEC(2004)330 et seq.)	18
6.4. EXTENSION AND UPDATING OF DELEGATED POWERS IN THE FIELD OF EXTERNAL AID (SEC(2004)311 and /2)	18
6.5. DELEGATION AND SUBDELEGATION OF POWERS	18
7. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2004)331/2)	19
7.1. DG ENV - APPLICATION OF THE ARTICLE 50 PROCEDURE (SECOND STAGE) WITH RESPECT TO AN A2 OFFICIAL	19
7.2. DG ADMIN - CREATION OF AN A2 POST OF CHIEF ADVISER AND TRANSFER OF A CHIEF ADVISER.....	19

7.3. EPSO - APPOINTMENT OF DIRECTOR OF THE OFFICE (A2 – TEMPORARY OFFICIAL - ARTICLE 2(a) OF THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS)	20
7.4. DG ADMIN – STAFF PROMOTION EXERCISE - AMENDMENT OF GENERAL IMPLEMENTING PROVISIONS OF ARTICLE 45 OF THE STAFF REGULATIONS (C(2004)970 and /2; SEC(2004)351 and /2).....	21
7.5. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE TEMPORARY A2 CONTRACT OF Mr MANFRED GRASSERBAUER	21
7.6. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE TEMPORARY A2 CONTRACT OF Mr DAVID WILKINSON	21
7.7. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE TEMPORARY A2 CONTRACT OF Mr KARI TÖRRÖNEN.....	22
7.8. TRANSFER OF PART OF REMUNERATION TO COUNTRY OF ORIGIN	22
8. ADAPTATION OF THE IMPLEMENTING PROVISIONS FOLLOWING THE REVISION OF THE STAFF REGULATIONS OF OFFICIALS AND THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS OF THE EUROPEAN COMMUNITIES – FOURTH PACKAGE OF IMPLEMENTING PROVISIONS (SEC(2004)347 TO /5).....	22
9. COUNCIL MEETINGS (SI(2004)249)	23
9.1. AGENCY IN THE FIELD OF DEFENCE CAPABILITIES DEVELOPMENT, RESEARCH, ACQUISITION AND ARMAMENTS - DESIGNATION OF COMMISSION OFFICIALS SECONDED TO THE TEAM RESPONSIBLE FOR SETTING UP THE AGENCY (SEC(2004)358)	23
9.2. AGRICULTURE AND FISHERIES (BRUSSELS, 22-23 MARCH) (SI(2004)255).....	23
10. COMMISSION DECISION RELATING TO A PROCEEDING PURSUANT TO ARTICLE 82 OF THE EC TREATY (CASE COMP/C-3/37.792 MICROSOFT) (C(2004)900 TO /5; SEC(2004)339; SEC(2004)354 AND /2).....	24
11. COUNCIL MEETINGS (CONTINUED FROM ITEM 9) (SI(2004)249)	26

<i>PREPARATIONS FOR EUROPEAN COUNCIL (BRUSSELS, 25-26 MARCH)</i>	26
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Single sitting: Wednesday 24 March (morning)

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

Present:

Mr PRODI President

Mr MONTI

Mr FISCHLER

Except item 11

Mr LIIKANEN

Mr BOLKESTEIN

Mr BUSQUIN

Mr NIELSON

Mr VERHEUGEN

Mr LAMY

Mr BYRNE

Mr BARNIER

Ms REDING

Ms SCHREYER

Mr VITORINO

Mr DIMAS

Absent:

Mr KINNOCK Vice-President

Ms de PALACIO Vice-President

Mr SOLBES

Mr PATTEN

M_S WALLSTRÖM

The following sat in to represent absent Members of the Commission

Mr KOOPMAN	Chef de cabinet to Mr Kinnock
Mr CALLEJA	Chef de cabinet to Ms de Palacio
Mr BEKX	Deputy Chef de Cabinet to Mr Solbes
Ms BRANDTNER	A member of Mr Patten's staff
Ms CARPARELLI	Deputy Chef de cabinet to Ms Wallström

The following also sat in

Mr PETITE	Director-General, Legal Service
Mr MANSERVISI	Chef de cabinet to the President
Mr DE OLIVEIRA E SOUSA	Director-General, Press and Communication
Mr KEMPPINEN	Commission Spokesman
Mr THOMAS	Spokesman
Mr SMULDERS	A member of the President's staff
Ms OLIVI	A member of Mr Monti's staff
Mr CARVOUNIS	Press and Communication DG
Mr LOWE	Director-General, Competition

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

Before starting the meeting, the PRESIDENT welcomed Ms DIAMANTOPOULOU, who wished to say farewell to Commission Members following her resignation and her replacement by Mr DIMAS.

Ms DIAMANTOPOULOU greeted Commission Members and thanked the PRESIDENT and his colleagues for their collaboration over the past years. It had been a privilege, both personally and politically, to work with colleagues from various nationalities. She wished the Commission the best of luck in continuing to carry out its tasks.

On behalf of the Commission, the PRESIDENT thanked Ms DIAMANTOPOULOU for her service to the Commission and to European integration, and expressed his best wishes for her future success.

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1. AGENDAS

(OJ(2004)1651/3; SEC(2004)327/2)

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(2004)1651)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 22 March.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1650th MEETING
(16 March)
(PV(2004)1650 and /2)**

The Commission approved the minutes of its 1650th meeting.

4. PARLIAMENT

***PARLIAMENTARY AFFAIRS GROUP
(SP(2004)1120)***

The Commission took note of the record of the meeting of the Parliamentary Affairs Group held on 18 March (SP(2004)1120).

It paid particular attention to the following:

**i) Preparations for March II part-session
(point 2.3 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.

It paid particular attention to the following:

2nd reading:

- VILLIERS report – Investment services and regulated markets,
COM(2002)625 - 02/0269 (COD)

The Commission adopted the line set out in SP(2004)1113 and authorised Mr BOLKESTEIN to continue contacts with the co-legislators with a view to reaching agreement at second reading.

- SCHNEL LHARDT report, Hygiene of foodstuffs,
COM(2000)438-1 - 00/0178 (COD)

The Commission adopted the line set out in SP(2004)1111 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to reaching agreement at second reading.

- SCHNEL LHARDT report, Specific hygiene rules for food of animal origin,
COM(2000)438-2 - 00/0179 (COD)

The Commission adopted the line set out in SP(2004)1112 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to reaching agreement at second reading.

- SCHNEL LHARDT report - Production and placing on the market of certain products of animal origin intended for human consumption,
COM(2000)438-5 - 00/0182 (COD)

The Commission adopted the line set out in SP(2004)1109 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to reaching agreement at second reading.

- SCHNELFHARDT report, Official controls on products of animal origin intended for human consumption,
COM(2002)377 - 02/0141 (COD)

The Commission adopted the line set out in SP(2004)1110 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to reaching agreement at second reading.

- SCHMITT report – Air service agreements between Member States and third countries,
COM(2003)94-2 - 03/0044 (COD)

The Commission adopted the line set out in SP(2004)1076/2.

- TURCHI report, Community financial aid in the field of trans-European networks,
COM(2001)545 - 01/0226 (COD)

The Commission noted that no amendments had been tabled to the Council common position, and adopted the line set out in SP(2004)1055.

- PEREZ ALVAREZ report – Exposure of workers to the risks arising from physical agents (Electromagnetic fields),
COM(1992)560 - 92/0449 (COD)

The Commission adopted the line set out in SP(2004)1086/2 and SP(2004)1086/3.

- KRATSA report – Organisations active in the field of equality between men and women,
COM(2003)279 - 03/0109 (COD)

The Commission adopted the line set out in SP(2004)1116.

- ZRIHEN ZAARI report, Gender equality in development cooperation,
COM(2003)465 - 03/0176 (COD)

The Commission noted that no amendments had been tabled to the Council common position, and adopted the line set out in SP(2004)1067.

- WUERMELING report, European enforcement order for uncontested claims,
COM(2002)159 - 02/0090 (COD)

The Commission noted that no amendments had been tabled to the Council common position, and adopted the line set out in SP(2004)1095/2.

1st reading and consultation

- SKINNER report – Issuers whose securities are admitted to trading on a regulated market,
COM(2003)138 - 03/0045 (COD)

The Commission adopted the line set out in SP(2004)1114.

- RANDZIO PLATH report – New financial services committee organisational structure,
COM(2003)659 - 03/0263 (COD)

The Commission adopted the line set out in SP(2004)1118/2.

- GEBHARDT report - Cooperation in the enforcement of consumer protection laws,
COM(2003)443 - 03/0162 (COD)

The Commission adopted the line set out in SP(2004)1057/2 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to an agreement at first reading.

- THORS report, Materials and articles intended to come into contact with food,
COM(2003)689 - 03/0272 (COD)

The Commission adopted the line set out in SP(2004)1058 and authorised Mr BYRNE to continue contacts with the co-legislators with a view to an agreement at first reading.

- KEPPELHOFF-WIECHERT report – Requirements for feed hygiene,
COM(2003)180 - 03/0071 (COD)

The Commission adopted the line set out in SP(2004)1062/2.

- GOODWILL report – Fluorinated greenhouse gases,
COM(2003)492, 03/0189 (COD)

The Commission adopted the line set out in SP(2004)1104/2.

- KORHOLA report, Application of the provisions of the Aarhus Convention to EC institutions and bodies,
COM(2003)622 - 03/0242 (COD)

The Commission adopted the line set out in SP(2004)1090/3.

- KORHOLA report – Access to information, public participation in decision-making and access to justice regarding environmental matters, COM(2003)625, 03/0249 (CNS)

The Commission adopted the line set out in SP(2004)1089.

- SCHÖRLING report, Access to justice in environmental matters, COM(2003)624 - 03/0246 (COD)

The Commission adopted the line set out in SP(2004)1073/4.

- SJÖSTEDT report, Management of waste from the extractive industries, COM(2003)319 - 03/0107 (COD)

The Commission adopted the line set out in SP(2004)1074/3.

- ROCARD report - European Capital of Culture (2005 to 2019), COM(2003)700 - 03/0274 (COD)

The Commission adopted the line set out in SP(2004)1108.

- LULLING report, Quarterly non-financial accounts by institutional sector, COM(2003)789 - 03/0296 (COD)

The Commission adopted the line set out in SP(2004)1087.

- COELHO report – Schengen Information System (registration certificates for vehicles), COM(2003)510 - 03/0198 (COD)

The Commission adopted the line set out in SP(2004)1119/2.

- MAES report, Development cooperation with South Africa,
COM(2003)627 - 03/0245 (COD)

The Commission adopted the line set out in SP(2004)1075/3.

- MAAT report, Protection of animals during transport and related
operations,
COM(2003)425, 03/0171 (CNS)

The Commission adopted the line set out in SP(2004)1064.

- PACIOTTI report, European Evidence Warrant,
COM(2003)688, 03/0270 (CNS)

The Commission adopted the line set out in SP(2004)1096/2.

- MIGUELEZ RAMOS report - Fisheries agreement with Denmark and
Greenland,
COM(2003)609, 03/0236 (CNS)

The Commission adopted the line set out in SP(2004)1056/2.

Empowerment

Under Article 13 of its Rules of Procedure the Commission empowered the Members concerned, in agreement with the PRESIDENT, the Member responsible for relations with Parliament 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:

- VILLIERS report - Investment services and regulated markets
(SP(2004)1113, Mr BOLKESTEIN)

- SCHNEL LHARDT report, Hygiene of foodstuffs,
(SP(2004)1111, Mr BYRNE)
- SCHNEL LHARDT report, Specific hygiene rules for food of animal
origin,
(SP(2004)1112, Mr BYRNE)
- SCHNEL LHARDT report - Production and placing on the market of
certain products of animal origin intended for human consumption
(SP(2004)1109, Mr BYRNE)
- SCHNEL LHARDT report, Official controls on products of animal origin
intended for human consumption
(SP(2004)1110, Mr BYRNE)
- SCHMITT report - Air service agreements between Member States and
third countries
(SP(2004)1076/2, Ms de PALACIO)
- TURCHI report, Community financial aid in the field of trans-European
networks
(SP(2004)1055, Ms de PALACIO)
- PEREZ ALVAREZ report – Exposure of workers to the risks arising
from physical agents (Electromagnetic fields)
(SP(2004)1086/2 and SP(2004)1086/3, Mr DIMAS)
- KRATSA report - Organisations active in the field of equality between
men and women
(SP(2004)1116, Mr DIMAS)
- ZRIHEN ZAARI report, Gender equality in development cooperation
(SP(2004)1067, Mr NIELSON)

- WUERMELING report, European enforcement order for uncontested claims
(SP(2004)1095/2, Mr VITORINO)

ii) **Parliamentary committees**

(point 3 of the record)

The Commission took note of the positive outcome of the hearings by Parliament's Committee on Budgets on the communication on the future financial perspective, attended by Ms SCHREYER, Mr FISCHLER, Mr BUSQUIN, Mr LAMY, Mr BARNIER and Mr VITORINO.

iii) **Other matters**

(point 8.2 of the record)

2002 discharge

Having noted the excellent cooperation between the departments and Members' Offices concerned in this matter, the Commission took note of the positive outcome of the vote in Parliament's Committee on Budgetary Control on the BAYONA report (discharge 2002). Further work would have to be done in readiness for the vote in plenary scheduled for 21 April.

5. MONITORING THE APPLICATION OF COMMUNITY LAW

***COMMISSION REGULATION ADOPTING PROVISIONS FOR THE
IMPLEMENTATION OF COUNCIL REGULATION (EC) No 659/1999
LAYING DOWN DETAILED RULES FOR THE APPLICATION OF ARTICLE
93 OF THE EC TREATY
(C(2004)796 to /4; SEC(2004)282)***

The Commission:

- adopted in principle the Regulation and its annexes in C(2004)796 to /4;
- empowered Mr MONTI to adopt the final version of the Regulation and its annexes in all the official languages, once they had been examined by the lawyer-linguists;
- adopted the Commission communication on the obsolescence of certain texts on state aid as set out in (C(2004)796);
- decided to publish these documents in the Official Journal.

6. WRITTEN PROCEDURES AND EMPOWERMENT

***6.1. WRITTEN PROCEDURES APPROVED
(SEC(2004)328 et seq.)***

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 March.

6.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2004)329)

The Commission took note of written procedures initiated between 15 and 19 March for the adoption of decisions with political implications.

6.3. EMPOWERMENT

(SEC(2004)330 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 March.

**6.4. EXTENSION AND UPDATING OF DELEGATED POWERS IN THE
FIELD OF EXTERNAL AID**

(SEC(2004)311 and /2)

The Commission adopted the extension and updating of delegated powers in the field of external assistance as set out in SEC(2004)311 and /2.

6.5. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 15 and 19 March, as archived on the "Grefte 2000" (Registry) website.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2004)331/2)

ADMINISTRATIVE MATTERS
(PERS(2004)45)

7.1. DG ENV - APPLICATION OF THE ARTICLE 50 PROCEDURE
(SECOND STAGE) WITH RESPECT TO AN A2 OFFICIAL

The Commission continued its discussions on this matter, begun on 9 February (PV(2004)1645).

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Ms WALLSTRÖM, adopted the decision in PERS(2004)47 to apply the second stage of the procedure laid down in Article 50 of the Staff Regulations in respect of Mr Prudencio PERERA MANZANEDO, an A2 official, currently Director, Directorate B, in the Environment DG.

This decision would take effect on 1 August.

7.2. DG ADMIN - CREATION OF AN A2 POST OF CHIEF ADVISER AND
TRANSFER OF A CHIEF ADVISER

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

- to create a post of Chief Adviser, reporting to the Director-General, Personnel and Administration;
- to transfer to it, with her post and in the interest of the service, Ms Margareta PETTERSSON, an A2 official, currently Chief Adviser reporting to the Director-General, EuropeAid Cooperation Office;

- to abolish the post of Chief Adviser in the EuropeAid Cooperation Office left vacant following this transfer.

These decisions would take effect on 1 April.

7.3. *EPSO - APPOINTMENT OF DIRECTOR OF THE OFFICE (A2 – TEMPORARY OFFICIAL - ARTICLE 2(a) OF THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS)*

Further to its discussions of 18 February (PV(2004)1646, item 10.1) and taking note of the favourable opinion of the EPSO Management Board, the Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT, decided under Article 2(a) of the Conditions of Employment of Other Servants to appoint Mr Erik HALSKOV as Director, European Personnel Selection Office (EPSO).

This decision would take effect on 1 April.

In order to implement the above decision in full compliance with the statutory provisions and the rights of Mr HALSKOV, the Commission also decided:

- to create a post of Adviser in the Personnel and Administration DG, with immediate effect;
- to fill it by the redeployment in the interest of the service, under Article 7(1) of the Staff Regulations, of Mr Erik HALSKOV, an A3 official, currently Unit Head in EPSO. This decision would take effect on 31 March;
- under Articles 37 and 38 of the Staff Regulations, to second Mr Erik HALSKOV in the interest of the service to EPSO with a view to his appointment as a temporary official as Director, EPSO. This decision would take effect on 1 April.

**7.4. DG ADMIN – STAFF PROMOTION EXERCISE - AMENDMENT OF
GENERAL IMPLEMENTING PROVISIONS OF ARTICLE 45 OF THE
STAFF REGULATIONS**

(C(2004)970 and /2; SEC(2004)351 and /2)

The Commission adopted with immediate effect the decision in C(2004)970/2 and took note of the explanatory note relating thereto (SEC(2004)351/2).

**7.5. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE
TEMPORARY A2 CONTRACT OF Mr MANFRED GRASSERBAUER**

Having taken note of the opinion of the JRC Management Board, the Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr BUSQUIN, decided to authorise the renewal for an indefinite period of the temporary A2 contract under Article 2(d) of the Conditions of Employment of Other Servants of Mr Manfred GRASSERBAUER, Director, Institute for Environment and Sustainability at the JRC in Ispra.

**7.6. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE
TEMPORARY A2 CONTRACT OF Mr DAVID WILKINSON**

Having taken note de the opinion of the JRC Management Board, the Commission, on a proposal from Mr KINNOCK in agreement with the PRESIDENT and Mr BUSQUIN, decided to authorise the renewal for an indefinite period of the temporary A2 contract under Article 2(d) of the Conditions of Employment of Other Servants of Mr David WILKINSON, Director of the Ispra site of the JRC.

**7.7. JRC - EXTENSION FOR AN INDEFINITE PERIOD OF THE
TEMPORARY A2 CONTRACT OF Mr KARI TÖRRÖNEN**

Having taken note de the opinion of the JRC Management Board, the Commission, on a proposal from Mr KINNOCK in agreement with the PRESIDENT and Mr BUSQUIN, decided to authorise the renewal for an indefinite period of the temporary A2 contract under Article 2(d) of the Conditions of Employment of Other Servants of Mr Kari TÖRRÖNEN, Director of the Institute for Energy at the JRC in Petten.

OTHER MATTERS

**7.8. TRANSFER OF PART OF REMUNERATION TO COUNTRY OF
ORIGIN**

Following clarification of the legal questions that in June 2002 had led it to suspend the transfer by Commission Members of part of their remuneration with a weighting coefficient to their country of origin, the Commission decided to re-establish the system with effect from 1 April.

**8. ADAPTATION OF THE IMPLEMENTING PROVISIONS FOLLOWING
THE REVISION OF THE STAFF REGULATIONS OF OFFICIALS AND
THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS OF THE
EUROPEAN COMMUNITIES – FOURTH PACKAGE OF
IMPLEMENTING PROVISIONS
(SEC(2004)347 to /5)**

The Commission:

- approved at first reading the package of six texts in SEC(2004)347, /4 and /5;

- authorised Mr KINNOCK to hold the necessary consultations on these texts at interinstitutional level;
- asked Mr KINNOCK to table all these texts again for final decision once the required consultations had been completed.

9. COUNCIL MEETINGS

(SI(2004)249)

9.1. AGENCY IN THE FIELD OF DEFENCE CAPABILITIES

**DEVELOPMENT, RESEARCH, ACQUISITION AND ARMAMENTS -
DESIGNATION OF COMMISSION OFFICIALS SECONDED TO THE
TEAM RESPONSIBLE FOR SETTING UP THE AGENCY**

(SEC(2004)358)

The Commission took note of the information note presented by the PRESIDENT, Mr LIIKANEN, Mr BOLKESTEIN, Mr BUSQUIN, Mr PATTEN, Mr LAMY and Mr BARNIER, in particular the information concerning the participation of Commission departments in the work of the Agency and the designation of the persons concerned.

9.2. AGRICULTURE AND FISHERIES

(BRUSSELS, 22-23 MARCH)

(SI(2004)255)

Mr FISCHLER reported on the Council meeting. Political agreement had been reached by qualified majority on the Presidency compromise, supported by the Commission, on the proposal for a Council Regulation laying down measures concerning incidental captures of cetaceans in fisheries and amending Regulation (EC) No 88/98. As to the reform of the common

organisation of the markets in tobacco, olive oil, cotton and hops, the Council had decided, following a general discussion, to refer the final negotiations to a special meeting to be held on 19 and 20 April.

**10. COMMISSION DECISION RELATING TO A PROCEEDING PURSUANT
TO ARTICLE 82 OF THE EC TREATY
(CASE COMP/C-3/37.792 MICROSOFT)
(C(2004)900 to /5; SEC(2004)339; SEC(2004)354 and /2)**

Mr MONTI set out the main points of the draft decision before the Commission, which was the culmination of five years of exhaustive investigations. He thanked the Competition DG and its Director-General, Mr LOWE, and the various departments involved, especially the Legal Service and the departments of Mr LIIKANEN, Mr BOLKESTEIN, Mr LAMY and Mr BYRNE, and the President's Office, for their commitment and support in this matter. The defence rights of Microsoft and other interested parties had been duly respected throughout the procedure, as confirmed by the Hearing Officer. The draft decision had also been unanimously endorsed by the Advisory Committee on Restrictive Practices and Dominant Positions. As to the substance, the decision held that Microsoft had abused its dominant position on the market for PC operating systems and had infringed the competition rules in two ways: first, by refusing to supply its competitors with the interoperability information they needed in order to become or to remain viable competitors on the market for operating systems for workgroup servers and, second, by abusively “tying” the sale of its dominant product for operating systems for client PCs to that of its multimedia player, *Windows Media Player*. In both cases, this conduct was part of a strategy to protect a dominant position on the markets in question. The proposed decision was particularly significant because it would set a precedent by laying down clear rules on what

constituted proper behaviour as regards competition, although the decision's effectiveness would largely depend on the ability of Microsoft's competitors to make the efforts necessary to take advantage of the opportunities thereby opened up. Negotiations with Microsoft to find an amicable solution had failed because of Microsoft's refusal to give any undertakings as to its future behaviour. The decision therefore required Microsoft to put an end to the infringements and imposed on it a fine of €497 196 304, equivalent to 1.62% of its turnover for the past year.

The Commission took note of this information and considered the decision from the following aspects:

- the Commission should keep open the possibility in future of addressing the problem of “tying” the technologies of distinct products together, wherever such a practice, aside from its commercial dimension, appeared to be anti-competitive;
- the decision's benefits for consumers and the need to highlight this aspect in presenting the decision;
- the soundness of the decision, particularly from the point of view of international agreements on intellectual property;
- the presentation of the decision so that it would be correctly seen in the context of international relations, particularly transatlantic relations.

Following this exchange of views, the Commission:

- took note of the opinions of the Advisory Committee on Restrictive Practices and Dominant Positions of 15 and 22 March in C(2004)900 and /4;
- took note of the final report of the Hearing Officer in C(2004)900/2;

- adopted, in the authentic language (English), the decision in C(2004)900/5 concluding that Microsoft had infringed Article 82 of the EC Treaty and Article 54 of the EEA Agreement and imposing on it a fine of €497 196 304;
- empowered the Commission Member responsible for competition, or in his absence any other Commission Member, to adopt all the decisions necessary for the implementation of Article 7 and the decisions referred to in Article 8 of the decision, including the possibility of a subdelegation of powers to the Director-General, Competition; the exercise of empowerment for the adoption of the decisions referred to in Article 7 would be in line with the principles laid down at recitals 1043 to 1048 of the decision;
- decided that the most important parts of the decision would be published in all the official languages in the L series of the Official Journal (with business secrets removed). The decision would be also made available on the internet.

This decision did not pre-empt the Commission's right to apply Article 82 of the Treaty in the future if it appeared that Microsoft was using technological links between *Windows* and *Windows Media Player*, or between *Windows* and other Microsoft software products, to gain a competitive advantage.

11. COUNCIL MEETINGS (continued from item 9)
(SI(2004)249)

PREPARATIONS FOR EUROPEAN COUNCIL
(BRUSSELS, 25-26 MARCH)

The PRESIDENT, Mr BARNIER and Mr VITORINO outlined the main items to be dealt with at the European Council on 25 and 26 March. This was to have been the annual spring meeting to deal primarily with the implementation of the Lisbon

agenda, but on this occasion it had been overtaken by events in the shape of the bomb outrages in Madrid. Combating terrorism and ways of enhancing cooperation in this field would therefore be a major topic for the meeting. The state of play concerning the Intergovernmental Conference and the draft Constitution would be discussed over dinner, the main question being whether an agreement could be finalised before the European elections. As regards the international aspect, the situation in Kosovo and the Middle East would call for special attention.

The Commission took note of this information and held a brief exchange of views, covering in particular:

- the importance of enhanced and effective Union action to combat terrorism and the various areas of intervention concerned;
- its desire for a speedy conclusion of work on the Constitution, although the quality of the text must remain the primary concern;
- the need to continue efforts towards effective implementation of the Lisbon agenda.

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The meeting closed at 1130 hours.