



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

**PV(2004)1671 final**

Brussels, 29 September 2004

**MINUTES**  
**of the 1671st meeting of the Commission**  
**held in Brussels**  
**(Breydel)**  
**on Wednesday 22 September 2004**  
**(morning)**

---

These minutes were approved by the Commission at its 1672<sup>nd</sup> meeting, held in Brussels on 29 September 2004.

They contain 20 pages.

## CONTENTS

|                                                                                                                                                    |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Attendance list</b>                                                                                                                             | <b>5-7</b> |
| 1. AGENDAS (OJ(2004)1671/3; SEC(2004)1146/2).....                                                                                                  | 8          |
| 2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2004)1671) .....                                                                                        | 8          |
| 3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1670TH<br>MEETING (14 SEPTEMBER) (PV(2004)1670 AND /2; PV(2004)1670,<br>PART II TO /3) .....         | 8          |
| 4. PARLIAMENT .....                                                                                                                                | 9          |
| 4.1. <i>SEPTEMBER I PART-SESSION (SP(2004)2118)</i> .....                                                                                          | 9          |
| 4.2. <i>ACTION TO BE TAKEN ON PARLIAMENT'S OPINIONS<br/>(SP(2004)2017)</i> .....                                                                   | 9          |
| 5. PERMANENT REPRESENTATIVES COMMITTEE .....                                                                                                       | 9          |
| 5.1. <i>AMENDED PROPOSAL FOR A PARLIAMENT AND COUNCIL<br/>REGULATION CONCERNING SALES PROMOTION IN THE<br/>INTERNAL MARKET (SI(2004)739)</i> ..... | 9          |
| 5.2. <i>PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE ON<br/>MACHINERY AND AMENDING DIRECTIVE 95/16/EEC<br/>(SI(2004)740)</i> .....              | 10         |
| 6. WRITTEN PROCEDURES AND EMPOWERMENT .....                                                                                                        | 10         |
| 6.1. <i>WRITTEN PROCEDURES APPROVED (SEC(2004)1147 et seq.)</i> .....                                                                              | 10         |
| 6.2. <i>SENSITIVE WRITTEN PROCEDURES (SEC(2004)1148)</i> .....                                                                                     | 11         |
| 6.3. <i>EMPOWERMENT (SEC(2004)1149 et seq.)</i> .....                                                                                              | 11         |
| 6.4. <i>DELEGATION AND SUBDELEGATION OF POWERS</i> .....                                                                                           | 11         |
| 7. REPORT ON EUROPEAN GOVERNANCE 2003-04 (SEC(2004)1152<br>TO /4; SEC(2004)1153/2) .....                                                           | 11         |

|      |                                                                                                                                                                                                      |           |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 8.   | MONITORING THE APPLICATION OF COMMUNITY LAW: STATE AID (SEC(2004)1132; SEC(2004)1136) .....                                                                                                          | 12        |
| 9.   | ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2004)1150/3).....                                                                                                                                          | 13        |
| 9.1. | <i>DG REGIO - AMENDMENT OF ORGANISATION CHART - CREATION OF A POST OF DEPUTY DIRECTOR-GENERAL AND A POST OF DIRECTOR (SEC(2004)1142) .....</i>                                                       | <i>13</i> |
| 9.2. | <i>DG ECHO - AMENDMENT OF ORGANISATION CHART - CREATION OF A POST OF DIRECTOR (SEC(2004)1162).....</i>                                                                                               | <i>13</i> |
| 9.3. | <i>DG ENV - AMENDMENT OF ORGANISATION CHART - CREATION OF A POST OF CHIEF ADVISER.....</i>                                                                                                           | <i>13</i> |
| 9.4. | <i>DG COMP - POST OF DEPUTY DIRECTOR-GENERAL (PERS(2002)77 to /6) .....</i>                                                                                                                          | <i>14</i> |
| 9.5. | <i>DG RTD - POST OF DEPUTY DIRECTOR-GENERAL (EU-10) (PERS(2004)125 to /4) .....</i>                                                                                                                  | <i>14</i> |
| 9.6. | <i>DG ENTR - APPLICATION OF THE ARTICLE 50 PROCEDURE (SECOND STAGE) WITH RESPECT TO AN A*16 OFFICIAL (PERS(2004)173) .....</i>                                                                       | <i>15</i> |
| 9.7. | <i>IMPLEMENTATION OF THE COMMUNICATION MATCHING SUPPLY AND DEMAND FOR TRANSLATION – THIRD PROGRESS REPORT (SEC(2004)1163) .....</i>                                                                  | <i>15</i> |
| 10.  | PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE AMENDING DIRECTIVE 2003/88/EC CONCERNING CERTAIN ASPECTS OF THE ORGANISATION OF WORKING TIME (COM(2004)607 TO /7; SEC(2004)1154; SEC(2004)1161)..... | 16        |
| 11.  | RELATIONS WITH NON-MEMBER COUNTRIES.....                                                                                                                                                             | 18        |
|      | <i>POSSIBLE OPENING OF ACCESSION NEGOTIATIONS WITH TURKEY.....</i>                                                                                                                                   | <i>18</i> |
| 12.  | OTHER BUSINESS.....                                                                                                                                                                                  | 19        |

|                                                                           |    |
|---------------------------------------------------------------------------|----|
| 12.1. INCREASE IN PAYMENT APPROPRIATIONS FOR THE<br>STRUCTURAL FUNDS..... | 19 |
| 12.2. 1- AND 2-CENT EURO COINS .....                                      | 19 |
| 12.3. GREEK PUBLIC DEFICIT .....                                          | 20 |

**Single sitting: Wednesday 22 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 | Items 1 to 10 |
| Mr MONTI        |                |               |
| Mr FISCHLER     |                |               |
| Mr BOLKESTEIN   |                |               |
| Mr NIELSON      |                |               |
| Mr VERHEUGEN    |                |               |
| Mr LAMY         |                |               |
| Mr BYRNE        |                |               |
| Ms REDING       |                | Items 1 to 10 |
| Ms SCHREYER     |                |               |
| Mr VITORINO     |                |               |
| Mr DIMAS        |                |               |
| Mr BARROT       |                |               |
| Mr ALMUNIA      |                |               |
| Mr BALÁZS       |                |               |
| Ms HÜBNER       |                |               |
| Mr KALLAS       |                |               |
| Mr BORG         |                |               |
| Ms GRYBAUSKAITĖ |                |               |
| Mr POTOČNIK     |                |               |
| Mr FIGEL        |                |               |
| Mr KYPRIANOU    |                |               |
| Mr TELIČKA      |                |               |

Mr REHN

Mr MICHEL

Absent:

Mr PATTEN

Ms WALLSTRÖM

Ms KALNIETE

**The following sat in to represent absent Members of the Commission**

|               |                                        |
|---------------|----------------------------------------|
| Mr CHILD      | Chef de cabinet to Mr Patten           |
| Ms CARPARELLI | Deputy Chef de cabinet to Ms Wallström |
| Mr PIEBALGS   | Chef de cabinet to Ms Kalniete         |

**The following also sat in**

|                       |                                   |         |
|-----------------------|-----------------------------------|---------|
| Mr PETITE             | Director-General, Legal Service   |         |
| Mr MANSERVISI         | Chef de cabinet to the President  |         |
| Mr KEMPPINEN          | Commission Spokesman              |         |
| Ms MOCHAN             | Spokeswoman                       | Item 10 |
| Mr GUSSETTI           | A member of the President's staff | Item 10 |
| Mr CALLEJA            | Chef de cabinet to Ms de Palacio  |         |
| Mr GARCIA PORRAS      | A member of Ms de Palacio's staff | Item 8  |
| Mr MARTINEZ CASAÑ     | A member of Ms de Palacio's staff | Item 10 |
| Mr SOUKUP             | A member of Mr Monti's staff      | Item 8  |
| Ms KONTOU             | Chef de cabinet to Mr Dimas       | Item 10 |
| Mr GIOTAKOS           | A member of Mr Dimas's staff      | Item 10 |
| Ms CORUGEDO STENEBERG | Press and Communication DG        |         |
| Mr PEREIRA            | Employment and Social Affairs DG  | Item 10 |

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

**1. AGENDAS**

**(OJ(2004)1671/3; SEC(2004)1146/2)**

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(2004)1671)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 20 September.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1670th MEETING**

**(14 September)**

**(PV(2004)1670 and /2; PV(2004)1670, Part II to /3)**

The Commission approved the minutes of its 1670th meeting.

#### **4. PARLIAMENT**

##### **4.1. *SEPTEMBER I PART-SESSION***

***(SP(2004)2118)***

The Commission took note of the information supplied relating to Parliament's part-session from 13 to 16 September (SP(2004)2118).

##### **4.2. *ACTION TO BE TAKEN ON PARLIAMENT'S OPINIONS***

***(SP(2004)2017)***

The Commission took note of the summary of Parliament's legislative opinions at the September I part-session (SP(2004)2017).

#### **5. PERMANENT REPRESENTATIVES COMMITTEE**

The Commission took note of the information communicated to it relating to the work of Coreper.

It paid particular attention to the following:

##### **5.1. *AMENDED PROPOSAL FOR A PARLIAMENT AND COUNCIL REGULATION CONCERNING SALES PROMOTION IN THE INTERNAL MARKET***

***(SI(2004)739)***

The Commission took note of progress in this matter in the Council bodies and the possibility that political agreement might be reached at the Council meeting (Competitiveness) on 24 September, on the basis of a Presidency compromise offering three options on the two major questions, viz.:

- the choice of legal instrument (Directive or Regulation);

- the maintenance of the “internal market” clause in the legal instrument and, possibly, an amendment and/or exemption to the clause.

The Commission authorised Mr BOLKESTEIN, in agreement with the PRESIDENT, to facilitate majority agreement in the Council bodies representing the right balance between completing the internal market and consumer protection requirements.

**5.2. *PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE ON MACHINERY AND AMENDING DIRECTIVE 95/16/EEC (SI(2004)740)***

With a view to possible political agreement at the Council meeting (Competitiveness) on 24 September, the Commission:

- authorised Mr REHN to support any majority agreement reached in the Council;
- instructed departments to transmit a Commission statement for the Council minutes making clear that its proposal (including the term “penalties” in the provisions on measures that the Member States must take to ensure compliance with the provisions of the Directive and punish infringements) was in line with the consolidated case law of the Court of Justice.

**6. WRITTEN PROCEDURES AND EMPOWERMENT**

**6.1. *WRITTEN PROCEDURES APPROVED (SEC(2004)1147 et seq.)***

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 17 September.

**6.2. SENSITIVE WRITTEN PROCEDURES**  
**(SEC(2004)1148)**

The Commission took note of written procedures initiated between 13 and 17 September for the adoption of decisions with political implications.

**6.3. EMPOWERMENT**  
**(SEC(2004)1149 et seq.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 17 September.

**6.4. DELEGATION AND SUBDELEGATION OF POWERS**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 13 and 17 September, as archived on the "Greffé 2000" (Registry) website.

**7. REPORT ON EUROPEAN GOVERNANCE 2003-04**  
**(SEC(2004)1152 to /4; SEC(2004)1153/2)**

The Commission:

- took note of the report on European governance 2003-04 (SEC(2004)1153/2) for transmission as a staff paper to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions (and to the organisations consulted on the text of White Paper);
- decided to continue the actions provided for in the White Paper, as clarified at point (b) of the conclusions in SEC(2004)1152/4.

**8. MONITORING THE APPLICATION OF COMMUNITY LAW: STATE AID  
(SEC(2004)1132; SEC(2004)1136)**

The Commission adopted the decisions in SEC(2004)1132, subject to the following clarifications:

**C52/2003                      *United Kingdom***

**(ex NN 45/2003)**

***British Energy plc***

(C(2004)3474 to /5; SEC(2004)1177)

The Commission held a brief exchange of views on the problem of monitoring state aid in the nuclear energy sector in the context of the liberalisation of the electricity market. It considered in particular the problem posed by funds for the decommissioning of nuclear power stations, on which it had presented a proposal for outsourcing which had not been accepted by the Council and Parliament.

The Commission took note of clarifications by Mr MONTI, backed up by the Legal Service, to the effect that some of the measures in question related to subjects covered by the Euratom Treaty, and must therefore be assessed accordingly. However, to the extent that they were not necessary for or went beyond the objectives of the Euratom Treaty, or distorted or threatened to distort competition within the common market, they must be assessed in the light of the EC Treaty. Consequently, the Commission adopted the decision in C(2004)3474/5 and SEC(2004)1177.

**9. ADMINISTRATIVE AND BUDGETARY MATTERS**  
**(SEC(2004)1150/3)**

**ADMINISTRATIVE MATTERS**  
**(PERS(2004)172)**

**9.1. DG REGIO - AMENDMENT OF ORGANISATION CHART - CREATION  
OF A POST OF DEPUTY DIRECTOR-GENERAL AND A POST OF  
DIRECTOR**  
**(SEC(2004)1142)**

The Commission approved the amendment of the organisation chart of the Regional Policy DG as set out in SEC(2004)1142, and the vacancy notice for the post of Deputy Director-General annexed thereto, for internal publication.

This decision would take effect immediately.

**9.2. DG ECHO - AMENDMENT OF ORGANISATION CHART - CREATION  
OF A POST OF DIRECTOR**  
**(SEC(2004)1162)**

The Commission approved the amendment of organisation chart of the Humanitarian Aid Office as set out in SEC(2004)1162, and the vacancy notice for the post of Director annexed thereto, for internal publication.

This decision would take effect immediately.

**9.3. DG ENV - AMENDMENT OF ORGANISATION CHART - CREATION  
OF A POST OF CHIEF ADVISER**

The Commission decided with effect from 23 September:

- to create a post of Chief Adviser, reporting to the Director-General, Environment;
- to transfer to this post Mr Claus SORENSEN, currently Director of Directorate E (International Affairs) in the Environment DG.

**9.4. DG COMP - POST OF DEPUTY DIRECTOR-GENERAL  
(PERS(2002)77 to /6)**

The Commission had before it an application under Article 29(1)(a) of the Staff Regulations for the post of Deputy Director-General, Competition (PERS(2002)77/3 and /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 11 July 2002 and 10 September 2004 (PERS(2002)77/4 and /6).

Having taken note of the merits of the candidate in the light of the characteristics of the post, the Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr MONTI, decided to appoint Mr Goetz DRAUZ to the post.

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

**9.5. DG RTD - POST OF DEPUTY DIRECTOR-GENERAL (EU-10)  
(PERS(2004)125 to /4)**

The Commission had before it applications under Article 29(2) of the Staff Regulations for the post of Deputy Director-General, Research, created by Commission decision of 18 February and reserved for a national of one of the new Member States (PERS(2004)125).

The Commission took note of the opinions of the Consultative Committee on Appointments of 24 August and 10 September (PERS(2004)125/2 and /3).

The Commission proceeded to consider the applicants' qualifications for the post. On a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr MICHEL, it then decided to appoint Mr Zoran STANCIC to the post.

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

**9.6. DG ENTR - APPLICATION OF THE ARTICLE 50 PROCEDURE  
(SECOND STAGE) WITH RESPECT TO AN A\*16 OFFICIAL  
(PERS(2004)173)**

The Commission continued its discussions on this matter, begun on 3 September (PV(2004)1668).

The Commission, on a proposal from Mr KINNOCK, in agreement with the PRESIDENT and Mr REHN, adopted the decision in PERS(2004)173 to apply the second stage of the procedure laid down in Article 50 of the Staff Regulations with respect to Mr Jean-Paul MINGASSON, an A\*16 official, currently Director-General, Enterprise.

This decision would take effect on 1 October.

**9.7. IMPLEMENTATION OF THE COMMUNICATION MATCHING  
SUPPLY AND DEMAND FOR TRANSLATION – THIRD PROGRESS  
REPORT  
(SEC(2004)1163)**

The Commission took note of the information note distributed by Mr KINNOCK.

**10. PROPOSAL FOR A PARLIAMENT AND COUNCIL DIRECTIVE  
AMENDING DIRECTIVE 2003/88/EC CONCERNING CERTAIN ASPECTS  
OF THE ORGANISATION OF WORKING TIME  
(COM(2004)607 to /7; SEC(2004)1154; SEC(2004)1161)**

Mr DIMAS introduced the proposal before the Commission. The review of certain provisions of Directive 2003/88/EC was required by the Directive itself.

Furthermore, in view of the Court of Justice's interpretation of the Directive and its impact on the notion of working time, it had become necessary to include the effects of this judgment in the review. As regards procedure, the proposal was being presented following consultation of the social partners at European level, as laid down in the Treaty. The social partners had come to the conclusion that they did not wish to start negotiations, so the Commission had to present a proposal for a Directive. Having reviewed the various aspects of the amendments proposed, Mr DIMAS concluded by emphasising that the approach chosen was a balanced one, guaranteeing a high level of health and safety protection for workers while meeting the need for flexibility and competitiveness in the European economy.

The Commission took note of this information and held a wide-ranging exchange of views. Having emphasised the difficulty and the sensitivity of the dossier, it considered in particular:

- the need to legislate in this case, given the social partners' inability to find a solution under the social dialogue;
- the need to strike the right balance between protecting workers' health and safety and introducing more flexibility on the labour market;

- the consistency of the proposed approach with the Lisbon agenda and the work of the high-level group chaired by Mr KOK;
- the administrative burden, particularly for small businesses, likely to arise from the approach chosen;
- the question whether the proposed measures gave Member States the margin of manoeuvre they needed in order to take account of their particular national circumstances (labour market traditions, national income, economic situation of employees, etc.);
- the pros and cons for companies of various sizes and for individual staff of the mixed solution concerning the possibility of an exemption from the maximum weekly working time (“opt-out”); the conditions for such an exemption and the position occupied by collective agreements; the advisability of making optional the use of collective agreements or limiting the involvement of trade unions to the protection of the rights of individual employees who had already chosen to exercise their right to opt out; the need to take into account here the realities of the respective strengths in relations between employer and individual employee; the correlation between working time and workers’ safety;
- the possibility of ensuring the representativeness of the trade unions, whose status and influence varied between Member States;
- the possible effects, in certain sectors, of introducing the rule restricting to 65 hours the amount of work that could be carried out in a given week, except where exemptions were permitted by collective agreement or by agreement between the social partners;
- the scope and potential effects of introducing the possibility of extending to 12 months the reference period for calculating the maximum weekly working time;

- the search for a better balance between work and private life, particularly for women;
- the effects of introducing the notion of "inactive part of on-call time" (directly in the case of certain sectors, such as the medical profession, and indirectly for instance for patients);
- the importance of careful presentation of the proposal to the outside world.

After its discussions, the Commission:

- adopted the proposal in COM(2004)607/6 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions;
- took note of the extended impact assessment (SEC(2004)1154), to be transmitted to the same institutions as a staff paper;
- instructed its departments to take account of the content of the proposal in dealing with any individual complaint or infringement proceedings relating to working time.

## **11. RELATIONS WITH NON-MEMBER COUNTRIES**

### ***POSSIBLE OPENING OF ACCESSION NEGOTIATIONS WITH TURKEY***

Mr VERHEUGEN reported on the latest developments in Turkey since his report to the Commission the previous week. As regards allegations concerning the persistence of acts of torture, which he had said he would look into, his findings confirmed the assessment of the Turkish Government and allayed the concerns raised by certain views expressed in Turkey. He was, however, very worried about

the announcement of postponement of the reform of the criminal code, which was an essential factor in assessing compliance with the Copenhagen political criteria and a litmus test for Turkey's real commitment to the Union's ethical values. Mr VERHEUGEN intended to clarify the Turkish Government's precise intentions in this area during Prime Minister ERDOGAN's visit to Brussels on Thursday 23 September.

## **12. OTHER BUSINESS**

### ***12.1. INCREASE IN PAYMENT APPROPRIATIONS FOR THE STRUCTURAL FUNDS***

Mr BARROT drew attention to the need to increase the 2004 payment appropriations for the Structural Funds and to launch speedily an amending budget procedure in order to deal with the requirements generated by the improvement of the level of implementation thanks to the combined efforts of the Commission and the Member States.

### ***12.2. 1- AND 2-CENT EURO COINS***

Mr ALMUNIA referred to public debate in recent months in a number of Member States about the usefulness of 1- and 2-cent euro coins. In order to avoid a proliferation of different national practices, which in the long run could create an obstacle to the smooth operation of the euro area, he intended to ask the Dutch Presidency to discuss this issue at a future Eurogroup meeting with a view to considering limits to these practices and the advisability of a code of conduct in this matter.

The Commission took note of this information. Since the question of maintaining 1- and 2-cent euro coins was particularly sensitive in a number

of Member States, a cautious approach was called for; it was felt that an appropriate economic impact study would be useful.

### **12.3. GREEK PUBLIC DEFICIT**

Mr ALMUNIA reported that the Greek Government had provided the Commission with updated figures for the Greek public deficit between 2000 and 2004. Taking account of Eurostat's limited capacity to analyse the national accounts, he had asked it to carry out the work necessary to provide itself with appropriate instruments for the auditing and checking of the figures communicated by the Member States.

Mr ALMUNIA announced his intention of considering Greece's conduct as regards its obligations under Regulation 3605/93. He had also instructed Eurostat to carry out a verification mission concerning the figures for 1997-99.

\*

\*   \*

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

\*

\*   \*

The meeting closed at 1210 hours.