



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

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MINUTES
of the 1771st meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 10 January 2007
(morning)

PV(2007) 1771 final

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Single sitting: Wednesday 10 January 2007 (morning)

The sitting opened at 09.06 with Mr BARROSO, President, in the chair. Items 21 and 22 were chaired by Ms WALLSTRÖM.

Present:

Mr BARROSO	President	Items 1 to 20
Ms WALLSTRÖM	Vice-President	
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	
Mr KALLAS	Vice-President	
Mr FRATTINI	Vice-President	Items 1 to 20
Ms REDING		
Mr DIMAS		Items 1 to 20
Mr ALMUNIA		
Ms HÜBNER		
Mr BORG		
Ms GRYBAUSKAITĖ		
Mr POTOČNIK		
Mr FIGEL'		
Mr KYPRIANOU		
Mr REHN		
Mr MICHEL		Items 1 to 9/20 (in part)
Mr KOVÁCS		Items 1 to 20
Ms KROES		Items 1 to 21
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		
Mr McCREEVY		
Mr ŠPIDLA		
Mr MANDELSON		Items 1 to 21
Mr PIEBALGS		Items 1 to 20
Ms KUNEVA		
Mr ORBAN		

The following also sat in

Mr VALE DE ALMEIDA	Chef de cabinet to the President	
Mr PETITE	Director-General, Legal Service	Items 1 to 9/20 (in part)
Mr CARVOUNIS	Deputy Director-General, Communication DG	Items 1 to 20
Mr LAITENBERGER	Commission Spokesman	Items 1 to 20
Mr GASPAR	Acting Director-General, Bureau of European Policy Advisers (BEPA)	
Mr THEBAULT	Deputy Chef de cabinet to the President	Items 9/20 (in part)
Ms MARTINHO	Chief Adviser in the President's Office	Items 9/20 (in part)
Mr ELLIS	Adviser in the President's Office	Items 9 to 20
Ms MARTÍNEZ ALBEROLA	A member of the President's staff	Items 9/20 (in part)
Ms KONTOU	Chef de cabinet to Mr DIMAS	Items 9/20 (in part)
Ms WEYAND	Chef de cabinet to Mr MICHEL	Items 9/20 (in part) to 22
Mr BOOGERT	A member of Ms Kroes's staff	Items 9 to 20
Mr JONES	Deputy Chef de cabinet to Mr PIEBALGS	Items 9 to 20
Mr HARTVIG	Legal Service	Items 9/20 (in part) to 22
Mr RUETE	Director-General, Energy and Transport DG	Items 9 to 20

Secretary: Ms DAY, Secretary-General, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General.

(10 January 2007)

The PRESIDENT opened the meeting by wishing all Commission Members and all Commission staff a very happy new year.

The PRESIDENT welcomed Ms Meglena KUNEVA and Mr Leonard ORBAN, new Commission Members, whose presence at the Commission's table was the visible manifestation of the historic completion of the process of accession to the EU by Bulgaria and Romania. He wished them every success in their new functions, in the spirit of constructive cooperation and collective responsibility in the service of the general European interest that prevailed in the Commission.

* * *

1. AGENDAS

(OJ(2007)1771/3; SEC(2007)1/2)

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(2007)1771)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 8 January.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1770th MEETING
(20 DECEMBER 2006)**

(PV(2006)1770; PV(2006)1770, Part II)

The Commission approved the minutes of its 1770th meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

INFRINGEMENTS – CASES POSTPONED BECAUSE OF UNAVAILABILITY OF DOCUMENTS – REGULARISATION (SEC(2007)6)

The Commission adopted the decisions in SEC(2007)6.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2007)2 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 18 and 22 December 2006.

5.2. SENSITIVE WRITTEN PROCEDURES (SEC(2007)3)

The Commission took note of the sensitive written procedures for which the time limit expired between 8 and 12 January.

5.3. EMPOWERMENT (SEC(2007)4 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the empowerment procedure between 18 December 2006 and 5 January.

**5.4. EMPOWERMENT FOR ADOPTION AND TRANSMISSION OF CERTAIN DOCUMENTS AS PROVIDED BY THE FINANCIAL REGULATION APPLICABLE TO THE 9TH EUROPEAN DEVELOPMENT FUND
(SEC(2006)1805)**

The Commission granted the empowerment as set out in SEC(2006)1805 to the Commission Member responsible for external relations.

**5.5. EMPOWERMENT IN THE FIELD OF THE EUROPEAN REGIONAL DEVELOPMENT FUND, THE EUROPEAN SOCIAL FUND AND THE COHESION FUND FOR THE 2007-2013 PROGRAMMING PERIOD
(SEC(2007)16)**

The Commission granted the empowerment as set out in SEC(2007)16 to Commission Members responsible for the European Regional Development Fund, the Cohesion Fund and the European Social Fund, each in the subject areas for which he had been designated as the lead Member.

5.6. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 18 December 2006 and 5 January, as archived on the "Greffé 2000" (Registry) website.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2007)5/2)

ADMINISTRATIVE MATTERS
(PERS(2006)185/2)

6.1. DG REGIO – APPOINTMENT OF AD14/15 DIRECTOR
(PERS(2006)176 TO /3)

The Commission had before it applications for the function of Director of the Directorate for Development and Coordination of Cohesion Policy; Solidarity Fund in the Regional Policy Directorate-General, published under Article 29(1)(a)(i) and (iii) of the Staff Regulations (PERS(2006)176).

The Commission took note of the opinions of the Consultative Committee on Appointments of 6 and 14 December 2006 (PERS(2006)176/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT, it then decided to appoint Mr Ronald HALL to the post.

This decision would take effect on a date to be determined.

6.2. DG TREN – INTERIM APPOINTMENT OF DIRECTOR

The Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, Mr BARROT and Mr PIEBALGS, decided to grant, under Article 7(2) of the Staff Regulations, an interim appointment to the function of Director of Directorate R (Resources) in the Energy and Transport Directorate-General, to Mr Dirk BECKERS, AD14 Head of Unit R.1 (Financial Resources, Evaluation and Coordination of Agencies), for the period from 1 August 2006 to 31 December 2006.

This decision would take effect immediately.

6.3. *OPOCE – INTERIM APPOINTMENT OF DIRECTOR*

The Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr FIGEL', decided to grant, under Article 7(2) of the Staff Regulations, an interim appointment to the function of Director of Directorate A (Official Journal and access to Law) in the Official Publications Office of the European Communities, to Mr Yves STEINITZ, AD14 Head of Unit A.4 (TED), for the period from 1 January 2006 to 31 December 2006, being the maximum duration of one year laid down in the Staff Regulations.

This decision would take effect immediately.

6.4. *DG ADMIN – EXTERNAL PUBLICATIONS (EU-12 / EU-27)*

The Commission, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, decided to include Bulgaria and Romania in all external publications concerning senior management posts due to be published from 1 January 2007, including those been authorised in 2006.

This decision would take effect immediately.

7. OTHER MATTERS

7.1. *VISIT TO ROMANIA AND BULGARIA (BUCHAREST AND SOFIA, 31 DECEMBER 2006 AND 1 JANUARY 2007)* (SEC(2007)24)

The Commission took note of the information from Mr REHN in SEC(2007)24.

7.2. *TERRORIST ATTACK IN MADRID*

On behalf of the Commission, the PRESIDENT strongly condemned the terrorist attack in Madrid on 30 December and expressed deepest sympathy and solidarity for the families and friends of the two victims who had died as a result of this

barbaric act. The European Union was a democratic area where all opinions could and must be defended in compliance with the rule of law and democracy. Terrorists could never look forward to obtaining any concession from democratic States by violent means. The Commission, which regarded security and combating terrorism as a Union priority, would not relax its efforts to this end.

**8. DECISION OF THE PRESIDENT OF THE COMMISSION OF THE EUROPEAN COMMUNITIES, OF 10 JANUARY 2007, AMENDING DECISION C(2004)4596 AND /2 OF 24 NOVEMBER 2004 ON THE ORGANISATION OF THE RESPONSIBILITIES OF MEMBERS OF THE COMMISSION
(C(2007)65 AND /2)**

The Commission had before it a communication from the PRESIDENT, distributed as C(2007)65/2, and accordingly:

- took note of the allocation of portfolios decided on by the PRESIDENT;
- took note of the order of precedence established by the PRESIDENT;
- took note of the responsibility of the Commission members for departments, as detailed in Annex 1 to the decision. These responsibilities were those set out in the letters sent by the President to the members concerned.

9. COMMISSION COMMUNICATION TO PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – AN ENERGY POLICY FOR EUROPE (COM(2007)1 TO /4; SEC(2007)12 AND /2; SEC(2007)9)

The PRESIDENT gave a general presentation of a dossier comprising the various aspects of energy and climate change in items 9 to 20 of the agenda. He began by drawing attention to the very full and ambitious nature of the set of proposed measures, and warmly thanked Commission Members and departments involved in drawing them up, emphasising their exemplary team-work. He noted that these were some of the most important questions now arising in Europe and in the world generally and welcomed the fact that the EU was taking a ground-breaking initiative. He was also glad to see that all the Commission was supporting the paper from Mr DIMAS on climate change.

He referred to the sound overall balance of the dossier and the pragmatic approach and convincing arguments presented, which would ensure that it received a warm welcome in Parliament and the Council. On the question of nuclear energy in particular, he emphasised the importance of being objective and factual.

The PRESIDENT pointed out that energy and climate change were two of the strongest arguments for European integration and the best of way of countering the Union's detractors. He welcomed the linkage now established between energy and climate, which paved the way for progress on a worldwide scale. Referring briefly to his visit to United States on 8 January, he mentioned new developments on the question of climate change in that country, the prospects now opening up and the EU's potential influence.

The PRESIDENT concluded his introduction by drawing attention to the need for major work of media contacts on this initiative, and trusted that he could count on the support of a consensus in the Commission.

Mr PIEBALGS presented the content of the dossier, emphasising that it was the result of joint efforts by many Commission departments, all of whom he thanked.

From the outset he stressed the need for far-reaching change in Europe's energy policy to achieve the objectives that the Union had set itself as regards sustainability, competitiveness and security of supply. He emphasised the special importance of this last aspect in the present international situation and mentioned the concerns of citizens and firms regarding energy prices. He believed that the dossier he was presenting offered a convincing response to these questions and considered some particularly sensitive factors in turn.

Mr PIEBALGS first pointed to the need for a sound internal market in energy to achieve the Union's energy objectives and mentioned the measures proposed for this purpose, the most important being the unbundling of energy production/supply activities on the one hand and distribution network management on the other, and the question of market regulation. He outlined the reasons why unbundling was so necessary and presented the two possible options, while explaining why he and Ms KROES preferred to opt for full ownership unbundling.

On the regulation issue, he presented the two models mentioned in the communication and spoke of the need for European regulation to overcome the barriers raised by the existence of major differences between Member States as regards the powers and the independence of national energy regulatory and to harmonise the practices on the basis of a higher common denominator.

Recognising the difficulties that were bound to come up with the decision on such delicate questions, Mr PIEBALGS pointed to the importance of working with all the governments in the weeks ahead so that a positive message could emerge from the March European Council with a view to rapid adoption of the legislative proposals in 2007.

Moving on to renewable energy and energy efficiency, Mr PIEBALGS drew attention to the absolute need to increase the share of renewable energy in Europe's energy sources and to adopt a new approach to energy efficiency to arrive at the objective of reducing greenhouse gas emissions also proposed that day. He presented the ambitious targets proposed here as also for biofuels, and pointed out that the arrangements for attaining them would be broadly left to the discretion of

the Member States, but that national objectives, while taking account of each country's specific situations, would be mandatory so as to engender real progress.

On the nuclear question, Mr PIEBALGS considered that the document presented factual information in an objective manner and encouraged debate, but he repeated that it was for each Member State to opt for or against nuclear energy as a source of electricity.

Ms KROES praised the clarity and coherence of the set of measures and welcomed the excellent cooperation between departments involved and the sound way in which the dossier was presented. She referred to the discussions at the previous day's meeting in Berlin with the German Presidency of the Council and was glad to see the importance attached to these questions by the new Presidency and the positive influence that its support would have on the reactions of citizens and firms to the Commission proposals.

Ms KROES stated that this was an exemplary dossier which bore witness to the value added by the European dimension, and a fine balance of objectives and credible and practicable solutions, particularly as regards the reduction of greenhouse gas emissions, the relative share of renewable energy in the range of energy sources in Europe and the use of biofuels; she also felt that it was important for the Commission to avoid taking sides on the nuclear issue.

She drew the Commission's attention to the worrying results of the investigation into the gas and electricity sectors in Europe and the unsatisfactory situation on the markets, and reported that she had launched investigations in several Member States where certain companies were thought to be breaking the competition rules. She pointed therefore to the need to deal with these problems by means of regulatory and structural measures. She supported the unbundling and regulation proposals.

Following these presentations, the Commission held an in-depth discussion on the various measures proposed, particularly considering the following general matters:

- the need to speedily establish a European energy policy that adequately matched the objectives of sustainability, competitiveness and security of supply, as called for by the European Council;
- the *leadership* displayed by the Commission in presenting this full integrated set of measures and proposing a credible, pragmatic and bold line that lived up to expectations and objectives;
- the appropriate general approach taken by the Commission, emphasising the undeniable added value of action at European level, integrating the various Community policies concerned (energy, environment, competition, research, statistics, climate) and thus making it possible to gain a coherent overall picture of all energy-related issues;
- the importance of the societal dimension of energy questions, not only on account of energy prices but also of security of supply, which were aspects of concern above all to consumers and must be highlighted in the communication effort on the initiative;
- the foreseeable upward trend in energy prices and the consequent need to take effective counter-measures, particularly in terms of research, innovation and energy efficiency, and to ensure a better-functioning internal market in energy;
- the Commission's attachment to compliance with the subsidiarity principle, subject to the need to consider the implications of decisions taken by each Member State in energy matters, particularly for neighbouring countries;
- the advisability of including energy questions in the statement to mark the 50th anniversary of the signing of the Treaty of Rome.

The Commission also considered the following specific questions:

The internal market in energy

- the wording of the unbundling options and the arrangements for their implementation so as, in particular, to ensure operators' access to networks;
- the Commission's preference for full ownership unbundling, though bearing in mind the difficulties that such an option could raise for certain Member States;
- the definition of the regulatory function to be recommended, given the link with the unbundling option selected, and the need to ensure the independence of the regulatory authority and full consideration for the European dimension;
- the value of seeking inspiration in other unbundling and regulatory situations recommended in recent Commission initiatives, in telecommunications for instance;
- the vital importance of interconnections to ensure the smooth operation of the internal market;

Renewable energy

- the positive effects on growth and employment, matching the Lisbon Strategy, which would flow from an energy policy that promoted renewable energy sources and development of new energy efficiency technologies in particular;
- the advisability of sharing between the Member States the general effort as regards renewable energy production, bearing in mind the share accounted for by nuclear energy and national prerogatives as regards the range of energy sources;
- the advisability of setting intermediate objectives as landmarks on the road to the final objective so as to prevent all delays;
- the importance of the contribution made by an increased share of renewable energy to the objective security of supply;

Nuclear energy

- the advisability of including a reference to the contribution of nuclear energy to reducing greenhouse gas emissions, given that the question was highly sensitive in several Member States;

Biofuels

- the importance of defining a fair and balanced position on biofuels, taking account of all aspects and issues, including the agricultural policy;

The international dimension

- the potential offered by joint efforts by several international players in projects such as ITER;
- the need to involve certain partners, such as Russia or Turkey, in the Union energy policy on account of their strategic importance as producer or transit countries;
- the importance of the impact on the EU of energy disputes between third countries;
- the need to promote sustainable energy production and consumption methods in third countries by means of international negotiations.

Lastly, the Commission highlighted the very high quality of the texts up for approval and the exemplary interdepartmental cooperation to prepare them.

The PRESIDENT closed by thanking Members for the quality of their contributions, and noted their agreement on the following amendments:

- at point 3.1.1, the 3rd paragraph to read as follows:
“Economic evidence shows that ownership unbundling is the most effective means to ensure choice for energy users and encourage investment. This is because separate network companies are not influenced by overlapping

supply/generation interests as regards investment decisions. It also avoids overly detailed and complex regulation and disproportionate administrative burdens”;

- at point 3.1.1, a new 4th paragraph, to read as follows:
“The independent system operator approach would improve the status quo but would require more detailed, prescriptive and costly regulation and would be less effective in addressing the disincentives to invest in networks”;
- at point 3.1.2, the 2nd bullet point to read as follows:
*“**A European network of independent regulators (“ERGEG+”):** Under this mechanism, the role of ERGEG will be formalised, and it would be given the task to structure binding decisions for regulators and relevant market players, such as network operators, power exchanges or generators, on certain precisely defined technical issues and mechanisms relating to cross border issues. It would need the appropriate involvement of the Commission, where necessary, to ensure that due account was taken of the Community interest”;*
- at point 3.1.2, the 3rd bullet point to read as follows (and the associated footnote was maintained):
*“**A new, single body at Community level** would be set up. It would in particular be granted the responsibility for adopting individual decisions for the EU electricity and gas market related to regulatory and technical issues relevant to making cross border trade work in practice”;*
- at Section 3.5, the words *“including the nature of their energy mix”* added to the sentence ending with *“and starting points”* in the paragraph following the text box;
- at chapter 4, the 1st indent of the 3rd bullet point to read as follows :
“Commit to further unbundling to deliver greater competition, increased investment and more choice for energy users, through ownership unbundling, or through a full Independent System Operator. In the light of the evidence the Commission considers that ownership unbundling is the most effective means to

ensure choice for energy users and to encourage investment. On the basis of the Conclusions of the European Council of 9 March and the position of the European Parliament, the Commission will come forward swiftly with a legislative proposal”;

- at chapter 4, the 3rd indent of the 3rd bullet point to read as follows:
“Accelerate the harmonisation of the technical standards necessary to enable cross-border trade to work effectively, and to ensure the promotion of the European market by establishing a new single body at EU level or, at a minimum, through a European network of independent regulators which would need to take due account of the European interest and have the appropriate involvement of the Commission”;
- at chapter 4, a new bullet point inserted before the last, to read as follows:
“Use international negotiations to encourage sustainable methods of production and to promote international trade in environmental and energy efficient goods and Services”.

Subject to the amendments recorded above and a general linguistic revision of the full set of documents in the dossier, recorded at items 9 to 20 of these minutes, the Commission approved the communication COM(2007)1/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments, accompanied by the statistical annex in the staff paper distributed as SEC(2007)12/2, the contents of which were noted.

10. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – TOWARDS A EUROPEAN STRATEGIC ENERGY TECHNOLOGY PLAN (COM(2006)847 TO /3; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission approved the communication in COM(2006)847/3 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the technical annex in the staff paper SEC(2007)12/2, the contents of which were noted.

11. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – SUSTAINABLE POWER GENERATION FROM FOSSIL FUELS: AIMING FOR NEAR-ZERO EMISSIONS FROM COAL AFTER 2020 (COM(2006)843 TO /3; SEC(2006)1722; SEC(2006)1723; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission approved the communication in COM(2006)843/3 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the technical annexes, the impact assessment and its summary in staff papers SEC(2006)1722, SEC(2006)1723 and SEC(2006)12/2 respectively, the contents of which were noted.

12. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – BIOFUELS PROGRESS REPORT

(COM(2006)845 TO /3; SEC(2006)1721 TO /3; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission briefly considered the text of the communication and decided to amend the last sentence of the 1st bullet point of chapter 7 to read as follows :
“ ... *permitting the routine use of biofuel blends of a significantly higher level than at present;*”.

Subject to this amendment, the Commission approved the communication set out in COM(2006) 845/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments, together with the report and the statistical annex in staff papers distributed as SEC(2006) 1721/3 and SEC(2007) 12/2 respectively, the contents of which were noted.

13. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – RENEWABLE ENERGY ROAD MAP

(COM(2006)848 TO /3; SEC(2006)1719 TO /3; SEC(2006)1720 TO /3; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission approved the communication in COM(2006)848/3, for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the technical annexes, the impact assessment and its summary in staff papers SEC(2006)1719/3,

SEC(2006)1720/3 and SEC(2007)12/2 respectively, the contents of which were noted.

**14. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – GREEN PAPER FOLLOW-UP ACTION – REPORT ON PROGRESS IN RENEWABLE ELECTRICITY
(COM(2006)849 AND /2; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)**

The Commission approved the communication in COM(2006)849/2, for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the technical annex in the staff paper distributed as SEC(2007)12/2, the contents of which were noted.

**15. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – NUCLEAR ILLUSTRATIVE PROGRAMME PRESENTED UNDER ARTICLE 40 OF THE EURATOM TREATY
(COM(2006)844 TO /3; SEC(2006)1717 AND /2; SEC(2006)1718 TO /3; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)**

The Commission approved the communication set out in COM(2006)844/3 for transmission, for opinion, to the Economic and Social Committee, and to Parliament, the Council, the Committee of the Regions and the national parliaments, accompanied by two Annexes and the statistical annex in staff papers

distributed as SEC(2006)1717/2, SEC(2006)1718/3 and SEC(2007) 12/2 respectively, the contents of which were noted.

16. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS - PRIORITY INTERCONNECTION PLAN

(COM(2006)846 TO /3; SEC(2006)1715 AND /2; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission approved the communication in COM(2006)846/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments, together with the priority interconnection plan and the statistical annex in staff papers distributed as SEC(2006)1715/2 and SEC(2007)12/2 respectively, the contents of which were noted.

17. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS - PROSPECTS FOR THE INTERNAL GAS AND ELECTRICITY MARKET

(COM(2006)841 TO /3; SEC(2006)1709 TO /3; SEC(2007)12 AND /2; SEC(2006)1712; SEC(2006)1782)

The Commission approved the communication in COM(2006)841/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments, together with the implementation report and the statistical annex in the staff papers distributed as

SEC(2006)1709/3 and SEC(2007)12/2 respectively, the contents of which were noted.

18. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – INQUIRY INTO COMPETITION IN THE EUROPEAN GAS AND ELECTRICITY SECTORS PURSUANT TO ARTICLE 17 OF REGULATION (EC) NO 1/2003 ON THE IMPLEMENTATION OF THE TREATY RULES (FINAL REPORT)

(COM(2006)851 TO /4; SEC(2006)1724 AND /2; SEC(2006)1782)

The Commission approved the communication in COM(2005)851/4 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, together with the impact assessment in staff paper SEC(2006)1724/2 (Vol. I to IV), the contents of which were noted.

19. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON ENERGY STATISTICS

(COM(2006)850 TO /3; SEC(2006)1782)

The Commission approved the communication in COM(2006)850/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

20. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS - LIMITING GLOBAL CLIMATE CHANGE TO 2 DEGREES CELSIUS: THE WAY AHEAD FOR 2020 AND BEYOND
(COM(2007)2 TO /4; SEC(2007)8 TO /3; SEC(2007)7 TO /3; SEC(2007)10)

The Commission approved the communication in COM(2007)2/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments, accompanied by the impact study and its summary in staff papers distributed as SEC(2007)8/3 and SEC(2007)7/3 respectively, the contents of which were noted.

21. RELATIONS WITH THIRD COUNTRIES

VISIT TO THE UNITED STATES (WASHINGTON, 8 JANUARY 2007)

In the absence of the PRESIDENT, Ms FERRERO-WALDNER reported on the visit to the US authorities in Washington on 8 January. She mentioned the topics addressed by the Commission PRESIDENT and the President of the United States, Mr George W. Bush, viz. the state of transatlantic relations, the relaunch of the Doha Development Agenda, energy security and climate change and matters of current international interest such as the Middle East, Darfur, Somalia, Kosovo and the visa waiver for EU citizens.

Mr MANDELSON specifically mentioned the US President's openness on certain dossiers, such as the Doha programme, and spoke of a relationship between this openness and the forthcoming Agriculture Act and the expiry of the Trade Promotion Authority's negotiating brief.

Regarding transatlantic relations, Mr MANDELSON reported on the various meetings he and the PRESIDENT had had with representatives of the American

Administration and Congress and particularly drew attention to the complexity of the American system and the various tensions he had observed there now that the executive and legislative branches were not of the same party.

The Commission took note of this information.

22. INTERINSTITUTIONAL RELATIONS

(SEC(2006)1703)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 20 December 2006 (SEC(2006)1703).

It paid particular attention to the following:

RELATIONS WITH PARLIAMENT

i) Latest developments in Parliament

(point 3.4 of the record of the IRG)

- Composition of political groups and mid-term reconstitution of Parliament

Ms WALLSTRÖM reported on the latest political developments in Parliament. She mentioned the election of Mr Joseph DAUL as President of the EPP Group and the confirmation of those in charge of the other political parties. Ms WALLSTRÖM considered that the probable formation of a far-right political group would not shift the current balance between the two major groups but would send a political signal that should absolutely not be ignored. She also mentioned the probable outcome of the election of the future President of Parliament in Strasbourg the following week, and likely changes within the Conference of Presidents (Chairmen of political parties).

Ms WALLSTRÖM then announced Parliament's decision to hold additional plenary sessions in Brussels on Wednesdays, when the Commission would be invited to present the politically significant initiatives it had approved that day.

Ms WALLSTRÖM reminded the meeting of the relevant provisions of the framework agreement with Parliament, and pointed out that the detailed arrangements for the Commission's presence would have to be discussed and agreed soon.

The Commission took note of this information.

ii) Action taken on Parliament's opinions and resolutions

(point 3.5 of the record of the IRG)

– Action taken on Parliament's non-legislative resolutions

The Commission approved document SP(2006)5914 on the action taken on the European Parliament's non-legislative resolution on the recovery of Community funds (CASACA report) adopted at the October II 2006 part-session, for transmission to Parliament.

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The meeting closed at 13.06.