



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2007)1777 final

MINUTES

of the 1777th meeting of the Commission

held in Brussels

Berlaymont building,

on Wednesday 21 February 2007

(morning)

—

PV(2007)1777 final

CONTENTS

List of participants

4-6

1. AGENDAS (OJ(2007) 1777/3; SEC(2007)199/2).....	7
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2007)1777)	7
3. MINUTES OF 1776TH MEETING (13 FEBRUARY) (PV(2007)1776 AND /2).....	7
4. MONITORING THE APPLICATION OF COMMUNITY LAW	7
STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST (SEC(2007)242/3).....	7
5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	8
5.1. WRITTEN PROCEDURES APPROVED (SEC(2007)201 ET SEQ.).....	8
5.2. SENSITIVE WRITTEN PROCEDURES (SEC(2007)202 AND /2).....	8
5.3. EMPOWERMENT (SEC(2007)203 ET SEQ.).....	8
5.4. DELEGATION AND SUBDELEGATION OF POWERS	8
6. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2007)204)	9
INITIAL COMMUNICATION UNDER ARTICLE 50 OF THE STAFF REGULATIONS	9
7. COMMUNICATION FROM THE COMMISSION TO PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – ANNUAL POLICY STRATEGY FOR 2008 (COM(2007)65 TO /4; SEC(2007)217 TO /3; SEC(2007)218 AND /2; SEC(2007)219 AND /2; SEC(2007)234; SEC(2007)239).....	9

8.	<i>COMMISSION DECISION ON A PROCEEDING PURSUANT TO ARTICLE 81 OF THE EC TREATY (CASE COMP/E-1/38.823 – LIFTS AND ESCALATORS) (C(2007)512 TO /12; SEC(2007)260)</i>	9
9.	COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS - IMPROVING QUALITY AND PRODUCTIVITY AT WORK: COMMUNITY STRATEGY 2007-2012 ON HEALTH AND SAFETY AT WORK (COM(2007)62 TO /4; SEC(2007)214; SEC(2007)215 AND /2; SEC(2007)216 AND /2; SEC(2007)238)	10
10.	INTERINSTITUTIONAL RELATIONS.....	11
	10.1. LEGISLATIVE MATTERS	11
	10.2. RELATIONS WITH THE COUNCIL (SI(2007)138).....	11
	10.3. RELATIONS WITH PARLIAMENT	14
11.	RELATIONS WITH THIRD COUNTRIES.....	14
	11.1. MIDDLE EAST PEACE PROCESS.....	14
	11.2. VISIT TO INDIA (DELHI AND STATE OF RAJASTHAN, 16-19 FEBRUARY) (SEC(2007)261).....	15
12.	INTERIM REPORT FROM THE COMMISSION TO THE EUROPEAN COUCIL – A SINGLE MARKET FOR CITIZENS (COM(2007)60 TO /4; SEC(2007)237)	16
13.	INTERIM REPORT FROM THE COMMISSION TO THE 2007 SPRING EUROPEAN COUNCIL: SOCIAL REALITY STOCKTAKING (COM(2007)63 AND /2; SEC(2007)244; SEC(2007)237)	16

Single sitting: Wednesday 21 February 2006 (morning)

The sitting opened at 1208 hours with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President
Mr VERHEUGEN	Vice-President
Mr BARROT	Vice-President
Mr KALLAS	Vice-President
Mr DIMAS	
Mr ALMUNIA	
Ms HÜBNER	
Mr BORG	
Ms GRYBAUSKAITĖ	
Mr POTOČNIK	
Mr FIGEL'	
Mr KYPRIANOU	
Mr MICHEL	
Mr KOVÁCS	
Ms FERRERO-WALDNER	
Mr McCREEVY	
Mr MANDELSON	
Mr PIEBALGS	
Ms KUNEVA	
Mr ORBAN	

Absent:

Ms WALLSTRÖM

Vice-President

Mr FRATTINI

Vice-President

Ms REDING

Mr REHN

Ms KROES

Ms FISCHER BOEL

Mr ŠPIDLA

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

Mr LEFFLER	Chef de cabinet to Ms WALLSTRÖM
Mr SIGMORE	A member of Mr FRATTINI's staff
Mr DUCATEL	A member of Ms REDING's staff
Mr YLI-LAHTI	A member of Mr REHN's staff
Mr BORCHARDT	Deputy Chef de cabinet to Ms FISCHER BOEL

The following also sat in:

Mr VALE DE ALMEIDA	Chef de cabinet to the President	
Mr SANTAOLALLA	Legal Service	
Mr CARVOUNIS	Deputy Director-General, Communication DG	
Ms HACZYK	Communication DG, Commission Spokesman's Service	
Mr GASPAR	Acting Director-General, Bureau of European Policy Advisers (BEPA)	
Mr THEBAULT	Deputy Chef de cabinet to the President	
Mr SERVOZ	Secretariat-General	Items 12 and 13

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

1. AGENDAS

(OJ(2007)1777/3; SEC(2007)199/2)

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

The Commission adopted the acts contained in items 3 to 9 of the agenda for this meeting during an adjournment at 11.04 hours of its work meeting, attended by all the members present at the meeting that day, by Ms KROES, Mr ŠPIDLA and the Secretary General.

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2007)1777)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 19 February.

3. MINUTES OF 1776th MEETING (13 FEBRUARY)

(PV(2007)1776 AND /2)

The Commission approved the minutes of its 1776th meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST

(SEC(2007)242/3)

The Commission adopted the decisions in the recapitulative list in SEC(2007)242/3.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED (SEC(2007)201 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 February.

5.2. SENSITIVE WRITTEN PROCEDURES (SEC(2007)202 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 19 and 23 February and of the “finalisation” written procedures initiated following the weekly meeting of Chefs de cabinet on 19 February.

5.3. EMPOWERMENT (SEC(2007)203 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 12 and 16 February.

5.4. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 12 and 16 February, as archived on the "Greffé 2000" (Registry) website.

**6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2007)204)**

**ADMINISTRATIVE MATTERS
(PERS(2007)24)**

***INITIAL COMMUNICATION UNDER ARTICLE 50 OF THE STAFF
REGULATIONS***

The Commission decided to initiate the procedure laid down in Article 50 of the Staff Regulations with respect to an AD 15 official.

**7. COMMUNICATION FROM THE COMMISSION TO PARLIAMENT, THE
COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS – ANNUAL POLICY STRATEGY FOR
2008
(COM(2007)65 TO /4; SEC(2007)217 TO /3; SEC(2007)218 AND /2;
SEC(2007)219 AND /2; SEC(2007)234; SEC(2007)239)**

Subject to general linguistic review, the Commission approved the communication in COM(2007)65/4 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments. The Commission also took note of the documents distributed as SEC(2007)217/3, SEC(2007)218/2, SEC(2007)219/2 and SEC(2007)234.

**8. COMMISSION DECISION ON A PROCEEDING PURSUANT TO ARTICLE 81
OF THE EC TREATY (CASE COMP/E-1/38.823 – LIFTS AND ESCALATORS)
(C(2007)512 TO /12; SEC(2007)260)**

The Commission

- took note of the opinions of the Advisory Committee on Restrictive Practices and Dominant Positions of 9 and 16 February in C(2007)512/3 and /6;
- took note of the final report of the Hearing Officer of 12 February in C(2007)512/4;
- adopted, in the authentic language (English), the decision set out in C(2007)512/7, noting that the companies to whom the decision was addressed had infringed Article 81 of the EC Treaty and imposing on some of these companies fines totalling € 992 312 200;
- decided that the decision in C(2007) 512/8 to /12 would be notified to the companies concerned, together with the final report of the Hearing Officer;
- decided that the most important parts of the decision, together with the opinions of the Advisory Committee and the final report of the Hearing Officer, would be published in the official languages in the Official Journal (with business secrets removed);
- decided to publish the decision (with business secrets removed) on the Internet.

9. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – IMPROVING QUALITY AND PRODUCTIVITY AT WORK: COMMUNITY STRATEGY 2007-2012 ON HEALTH AND SAFETY AT WORK (COM(2007)62 TO /4; SEC(2007)214; SEC(2007)215 AND /2; SEC(2007)216 AND /2; SEC(2007)238)

The Commission approved the communication in COM(2007)62/4 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 the staff papers distributed as SEC(2007)214 and SEC(2007)215/2 and SEC(2007)216/2, respectively, the contents of which were noted.

10. INTERINSTITUTIONAL RELATIONS

10.1. LEGISLATIVE MATTERS

i) Action to be taken on Parliament's opinions (SP(2007)678)

The Commission decided to empower the Members responsible for the areas concerned, in agreement with the PRESIDENT and Ms WALLSTRÖM and any other Commission Members concerned, to adopt the amended proposals for transmission to Parliament and the Council contained in the document SP(2006)678, which was drawn up following Parliament's part-session in February 2007.

10.2. RELATIONS WITH THE COUNCIL

(SI(2007)138)

The Commission took note of the information supplied in SI(2007)138 relating to Council meetings held from 15 to 28 February.

ii) Results of Council meeting (Transport, Telecommunications and Energy) – Energy session – Energy and climate change package (Brussels, 15 February)

Results of Council meeting (Environment) – Energy and climate change (Brussels, 20 February)

(SI(2007)127; SI(2007)144)

Mr PIEBALGS reported briefly on the discussion, at the Transport, Telecommunications and Energy Council on 15 February, on the proposals

concerning energy and climate change adopted by the Commission on 10 January.

Mr PIEBALGS noted the broad support expressed by the Council for the Commission's approach. However, he drew attention to two issues on which it had not yet been possible to reach a consensus: whether the target of a 20% share for renewable energies by 2020 should be mandatory or optional, and the question of the unbundling of production activities from distribution network management.

On the question of unbundling, Mr PIEBALGS stated that the Council had not yet ruled out any of the possible solutions, including full ownership unbundling.

In conclusion, Mr PIEBALGS said that the main discussion on this issue at the spring European Council would focus on the target for renewable energies and on how the public was to be informed of the result. However, he pointed out that this result was less controversial now than in the past.

Mr DIMAS mentioned the discussions that had been held on this issue the previous day by the Environment Council. He began by welcoming the unanimous support of this Council for the target of a 20% share for renewable energies by 2020. The question of how this effort was to be distributed among the Member States was still controversial and the solution would be to use similar criteria to those used for the Kyoto protocol.

He added that the discussions had also focused on the targets to be included in the future agreement on climate change, as well as on the means to be adopted to achieve these targets. He cited as examples of these the greenhouse emission trading scheme, innovation and development of new technologies and the promotion of renewable energies and energy efficiency.

Mr DIMAS also mentioned the problem of deforestation and its link with the production of biofuels and therefore with the policy of reduction of CO₂

emissions. He considered that it would be impossible to effectively combat climate change without taking into account the problem of deforestation in certain parts of the world.

Mr DIMAS also welcomed the positive reception of the proposal to include air transport in the greenhouse gas emission trading scheme. In particular, he pointed out that the implementation timetable proposed by the Commission represented a sound balance between the various positions expressed on this issue in the Council.

Lastly, Mr DIMAS referred to the Council's support for the Commission's intention to present a legislative proposal for the reduction of CO₂ emissions from cars and light commercial vehicles, while noting the concerns voiced by certain Member States as to the precise arrangements to be put in place. He said that a consensus had been reached on a fair system that would not pose a threat to the performance of the automobile industry.

Ms FERRERO-WALDNER completed Mr PIEBALGS' presentation by briefly pointing out the external dimension of the European energy policy.

She mentioned the note of 8 February drawn up by the Council Presidency following the discussion on this subject held at the Council meeting (General affairs and external relations) of 22 January 2007, which referred to the consensus between the ministers on the need for Europe to pursue an active external policy in the area of energy.

Ms FERRERO-WALDNER explained that the Foreign Ministers agreed that energy issues should in future play a more important role in European foreign policy, and that it was particularly important for Europe to speak with one voice on this matter. She spoke of the progress made in this area in recent months and welcomed the Council's positive reception of the Commission's proposals.

She concluded by reporting that discussions were being held with the Council Presidency on certain aspects of the Commission's proposals, particularly with respect to a possible future energy treaty under the European neighbourhood policy and improved coordination between external and internal policies.

In conclusion, the PRESIDENT noted that consensus had not yet been reached in the Council on the issue of energy and climate change, but that the outlook was positive and that it was therefore necessary to continue to work actively with the Member States in order to make a real breakthrough at the March European Council.

The Commission took note of this information.

10.3. RELATIONS WITH PARLIAMENT

iii) February part-session

(SP(2007)701)

The Commission took note of the information supplied in SP(2007)701 relating to Parliament's part-session held in Strasbourg from 12 to 15 February.

11. RELATIONS WITH THIRD COUNTRIES

11.1. MIDDLE EAST PEACE PROCESS

Ms FERRERO-WALDNER informed the Commission of recent developments in the Middle East peace process, particularly since the conclusion on 9 February of the political agreement between Fatah and Hamas on forming a Palestinian Government of national unity. Although the composition of the new government was not yet known, she hoped that it would contribute effectively to preventing the outbreak of civil war in

Palestine. Ms FERRERO-WALDNER said that she was ready to establish direct contacts rapidly with the members of the new government.

Ms FERRERO-WALDNER also mentioned the trilateral meeting on 19 February between the Israeli Prime Minister, Ehud Olmert, the President of the Palestinian Authority, Mahmoud Abbas, and the American Secretary of State, Condoleezza Rice, which she considered a positive sign and a tangible demonstration that a communication channel was open between the parties.

Ms FERRERO-WALDNER referred to the agenda for the meeting of the Quartet made up of the United Nations, the European Union, the United States of America and the Russian Federation to be held that day in Berlin. In particular, she drew attention to the criteria for evaluating politically the measures taken by the future Palestinian government.

She also referred to the new international mechanism for aid for the Palestinians to be implemented by the EU at the request of the Quartet, which was to be gradually replaced by the temporary international mechanism set up in 2006 to meet the basic needs of the Palestinian people. Ms FERRERO-WALDNER pointed out that the future international mechanism would make it possible to improve the coordination of international aid to the Palestinians, and would integrate the other pillars: the economic development of the Palestinian Territories, the improvement of Palestinian governance and support for institutional strengthening.

The Commission took note of this information.

11.2. VISIT TO INDIA (DELHI AND STATE OF RAJASTHAN, 16-19 FEBRUARY)
(SEC(2007)261)

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2007)261.

12. INTERIM REPORT FROM THE COMMISSION TO THE EUROPEAN COUNCIL – A SINGLE MARKET FOR CITIZENS (COM(2007)60 TO /4; SEC(2007)237)

13. INTERIM REPORT FROM THE COMMISSION TO THE 2007 SPRING EUROPEAN COUNCIL – SOCIAL REALITY STOCKTAKING (COM(2007)63 AND /2; SEC(2007)244; SEC(2007)237)

The PRESIDENT briefly presented the two interim reports for the 2007 spring European Council as part of the follow-up to the Commission's initiative of 10 May 2006 *A Citizens' Agenda – Delivering results for Europe*. The first of these reports, which he was tabling for approval, concerned the single market and citizens. The second, to be approved by the "finalisation" written procedure on 26 February (E/267/2007), was a study of Europe's social reality.

The PRESIDENT pointed out that both the review on the internal market and the one on social reality had been carried out in parallel although they were different in nature. The study of Europe's social reality would launch a consultation period based on a document drawn up by the Bureau of European Policy Advisers. The Commission would subsequently adopt a position on this issue, in particular in the light of the results of the consultation.

As regards the interim report on the single market, the PRESIDENT said that it outlined a vision of the single market in the 21st century. He emphasised that the objective was to complete one of the successes of European integration by adapting it to the current new circumstances and to the challenges of globalisation, enlargement and technological changes, which had radically transformed the single market of 1992. He added that other challenges, such as energy, climate change and the ageing population, would give rise to further transformations.

The PRESIDENT considered that in future the single market, which had served to eliminate numerous obstacles encountered by companies to the development of their activities, would have to meet people's expectations more fully. He was convinced

that it was more than ever a lever enabling Europeans to benefit from new rights and opportunities and Europe to enjoy the benefits of a globalised world.

He referred to the strategic guidelines outlined in the report, which were aimed at reinforcing the single market's contribution to economic growth and social cohesion while encouraging new forms of partnership between the various players:

- more concrete results to the benefit of consumers;
- a tool for the integration of the European economy, based on the single currency and encouraging healthy competition;
- well targeted and properly calibrated regulation where needed;
- a means of achieving the knowledge-based society;
- open to the outside world.

The PRESIDENT concluded by reminding the meeting that this report would be followed up next autumn by the final report, which would include concrete proposals.

The Commission held a brief exchange of views, covering the following questions:

- the different nature of the two reviews in question, the progress made and the balance between the two;
- the importance of ensuring that the two initiatives were properly presented to the public, particularly as regards their nature and objectives;
- the success of the single European market and the need to promote in the rest of the world the model and principles on which it was based;
- the importance of meeting the new needs of consumers largely created by the development of the single market, for example as regards health services;

- the capacity for action which the Commission would be able to demonstrate if the results of the consultation on social reality indicated that the Community's powers should be extended.

Following this exchange of views, the Commission approved the interim report on a single market for citizens in COM(2007)60/4, for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

*

* *

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

*

* *

The meeting closed at 12.49 hours.