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SECRETARIAT-GENERAL

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MINUTES
of the 1782nd meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 28 March 2007
(morning)

PV(2007)1782 final

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STATE OF PREPARATIONS OF THE FUTURE EU AND INTERNATIONAL CIVILIAN

PRESENCE IN KOSOVO (SEC(2007)434)..... 27

Single sitting: Wednesday 28 March 2007 (morning)

The sitting opened at 0950 hours with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Ms WALLSTRÖM	Vice-President	
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	
Mr FRATTINI	Vice-President	
Ms REDING		Items 9 (in part) to 14
Mr DIMAS		Items 1 to 12 (in part)
Ms HÜBNER		Items 1 to 12
Mr BORG		Items 1 to 12 (in part)
Mr FIGEL'		
Mr KYPRIANOU		
Mr REHN		
Mr KOVÁCS		Items 1 to 12 (in part)
Ms KROES		
Ms FISCHER BOEL		
Mr McCREEVY		
Mr ŠPIDLA		
Mr MANDELSON		
Mr PIEBALGS		Items 9 (in part) to 14
Ms KUNEVA		
Mr ORBAN		

Absent:

Mr KALLAS

Vice-President

Mr ALMUNIA

Ms GRYBAUSKAITĖ

Mr POTOČNIK

Mr MICHEL

Ms FERRERO-WALDNER

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

Mr SCHMIDT	Deputy Chef de cabinet to Mr KALLAS	Items 9 to 14
Mr QUERO MUSSOT	Deputy Chef de cabinet to Mr ALMUNIA	
Mr QUEST	Chef de cabinet to Ms GRYBAUSKAITĖ	Items 1 to 12
Mr CAL	A member of Ms GRYBAUSKAITĖ's staff	Items 13 and 14
Mr DRÖLL	Chef de cabinet to Mr POTOČNIK	Items 9 (in part) to 14
Mr DELPHIN	A member of Mr MICHEL's staff	
Mr CHILD	Chef de cabinet to Ms FERRERO-WALDNER	Items 1 to 12
Mr GAMBS	A member of Ms FERRERO-WALDNER'S staff	Items 13 and 14

The following also sat in:

Mr VALE DE ALMEIDA	Chef de cabinet to the PRESIDENT	
Ms DURAND	Deputy Director-General, Legal Service	
Ms CORUGEDO STENEBOG	DG Communication	
Mr LAITENBERGER	Commission Spokesman	Items 1 to 12 (in part)
Mr GRAY	DG Communication - Spokesman's Service	Items 12 (in part) to 14
Ms CARVALHO	Bureau of European Policy Advisers	
Mr THEBAULT	Deputy Chef de cabinet to the PRESIDENT	Items 1 to 12 (in part)
Ms MARTÍNEZ ALBEROLA	A member of the President's staff	Items 1 to 9
Mr STROHMEIER	Chef de cabinet to Ms REDING	Items 1 to 9 (in part)
Mr GIOTAKOS	A member of Mr DIMAS's staff	Item 9
Mr TABONE	Chef de cabinet to Mr BORG	Items 12 (in part) to 14
Ms KIRCHNER	A member of Mr BORG's staff	Item 10
Mr PESONEN	Chef de cabinet to Mr REHN	Items 12 to 14

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

1. AGENDAS

(OJ(2007)1782/3; SEC(2007)382/2)

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)1782)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 26 March.

**3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1781st MEETING
(21 MARCH)**

(PV(2007)1781; PV(2007)1781, Part II)

The Commission approved the minutes of its 1781st meeting.

4. MONITORING THE APPLICATION OF COMMUNITY LAW

4.1. INFRINGEMENTS – URGENT CASES – RECAPITULATIVE LIST

(SEC(2007)402; SEC(2007)401/2)

The Commission adopted the decisions in the recapitulative list (SEC(2007)402).

**4.2. INFRINGEMENTS – CASES POSTPONED BECAUSE OF NON-AVAILABILITY OF DOCUMENTS – REGULARISATION
(SEC(2007)404)**

The Commission adopted the decisions in SEC(2007)404.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

**5.1. WRITTEN PROCEDURES APPROVED
(SEC(2007)383 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 19 and 23 March.

**5.2. SENSITIVE WRITTEN PROCEDURES
(SEC(2007)384 AND /2)**

The Commission took note of the sensitive written procedures for which the time limit expires between 26 and 30 March, and of the "finalisation" written procedure that had been initiated following the weekly meeting of Chefs de cabinet on 26 March.

**5.3. EMPOWERMENT
(SEC(2007)385 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 19 and 23 March.

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 19 and 23 March, as archived on the "Grefte 2000" (Registry) website.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2007)386)

ADMINISTRATIVE MATTERS
(PERS(2007)39)

6.1. DG SANCO – APPOINTMENT OF AD14/15 DIRECTOR
(PERS(2007)80 TO /5)

The Commission had before it applications under Articles 29(1)(a)(i) and (iii) and 29(2) of the Staff Regulations for the function of Director, Animal health and welfare, in the Health and Consumer Protection Directorate-General (PERS(2007)80 to /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 26 January and 22 February (PERS(2007)80/4 and /5).

The Commission proceeded to compare the applicants' qualifications for the post. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr KYPRIANOU, it then decided to appoint Mr Bernard VAN GOETHEM to the post.

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

6.2. DG RTD – INTERIM APPOINTMENT OF DIRECTOR

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr POTOČNIK, the Commission decided, under Article 7(2) of the Staff Regulations, to post Mr Nicholas HARTLEY, an AD14 official and Adviser for strategic issues relating to industrial technologies, temporarily to the function of Director, Industrial Technologies, in the Research Directorate-General, for the period from 1 June 2006 until the post was filled but without exceeding the maximum of one year laid down in the Staff Regulations.

This decision would take effect immediately.

**6.3. JRC – AMENDMENT OF ORGANISATION CHART
(SEC(2007)409)**

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr POTOČNIK, the Commission decided:

- to remove a function of Chief Adviser;
- to do away with units JRC.03 (Operational safety and security of scientific infrastructures) and JRC.B.07 (Corporate development (Brussels)) before the end of 2007;
- to increase the quota of non-structural adviser functions of the Joint Research Centre from 0 to 1, and to amend Annex I to the Commission decision C(2004) 3623/3 of 29 September 2004 accordingly;
- to approve the organisation chart set out in SEC(2007)409.

These decisions would take effect on 1 April.

**7. GREEN PAPER ON ECONOMIC INSTRUMENTS FOR ENVIRONMENT
AND RELATED POLICY PURPOSES
(COM(2007)140 TO /4; SEC(2007)388 TO /3; SEC(2007)390)**

The Commission approved the Green Paper in COM(2007)140/4, 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 staff paper distributed as SEC(2007)388/3, the contents of which were noted.

**8. COMMISSION REGULATION (EC, EURATOM) AMENDING REGULATION (EC, EURATOM) N° 2342/2002 LAYING DOWN DETAILED RULES FOR THE IMPLEMENTATION OF COUNCIL REGULATION (EC, EURATOM) N° 1605/2002 ON THE FINANCIAL REGULATION APPLICABLE TO THE GENERAL BUDGET OF THE EUROPEAN COMMUNITIES
(SEC(2007)411 AND /2; COM(2007)145 TO /3; SEC(2007)389)**

The Commission adopted in principle the Regulation contained in SEC(2007)411/2, and empowered Ms GRYBAUSKAITĖ, in agreement with the PRESIDENT, to finalise and formally adopt the Regulation in all language versions with a view to publication in the Official Journal of the European Union.

**9. BETTER SHIP DISMANTLING
(SEC(2007)399 TO /4; SEC(2007)400)**

The PRESIDENT introduced the debate on the future Green Paper on better ship dismantling by emphasising the importance of the subject, its ramifications in terms of health, the environment, industry, trade and the economy, and also its international dimension. He thanked Mr DIMAS for the information note presented, which was the basis for the debate.

He reminded the meeting that a legal framework existed for ship dismantling at both Community level and international level, in the shape of the Basle Convention. The question now was whether to draw up an EU strategy in this area and, if necessary, implement it without producing any undesirable economic consequences. Any such strategy should take into account the cyclical nature of demand and avoid the artificial creation of overcapacity in Europe which might eventually raise the question of state aid, whereas today's regulations and infrastructure were adequate.

The PRESIDENT also pointed to the importance of the international dimension and in particular the leading role that the Union could play to ensure compliance with

high health and environmental standards in the non-member countries concerned, particularly within the International Maritime Organisation (IMO).

Lastly, he recommended attaching to the Green Paper a full analysis of the economic aspects, and suggested closely associating Mr VERHEUGEN and Ms KROES with this work.

Mr DIMAS then presented the information note and thanked the PRESIDENT for taking the initiative of holding the debate. He began by reminding the meeting that the environmental and social conditions in which ships were being broken up, in particular on the Indian sub-continent, were unacceptable and harmful. He emphasised the responsibility of the EU, as a great many of the ships came from there, and he drew attention to the inevitable increase in the volume with the phasing-out of single-hull vessels by 2010. While the regulatory framework was in place, in particular for state-owned vessels, he noted that it was difficult ensure compliance by the commercial fleet, in particular because of the practice of changing flags.

Mr DIMAS pointed out that the objective of European action in this area should not be to reduce the Indian sub-continent's comparative cost advantage nor to artificially develop dismantling capacity in Europe, but on the contrary to transfer minimum environmental and health standards to these countries. He emphasised the leading role that the Union should play on the international stage to achieve this, in particular within the IMO, and through other measures that would be explored in the Green Paper being prepared.

In conclusion Mr DIMAS maintained that the status quo was not a solution, and noted the interest of the other institutions and of non-governmental organisations for EU action in this area.

During the exchange of views, the Commission considered in particular the following aspects:

- the need to work out actions which, without depriving the non-member countries concerned of their sources of income, without creating overcapacity in Europe and without introducing state aid, would still ensure compliance with the relevant legislation and provide acceptable social, environmental and health standards in the ship-breaking work;
- the international dimension connected on the one hand with the European Union's responsibility whatever the place of dismantling and, on the other hand, with flag-changing practices, making it the Union's duty to take on an active and leading role at international level, particularly within the IMO;
- the importance of adopting a twin strategy within the EU and in relations with the non-member countries concerned and in particular the need to provide them with technical assistance to change practices, and to devise and implement better environmental policies, particularly in bilateral negotiations with these countries;
- opposition to public support for the artificial development of European dismantling capacity;
- as regards the ship dismantling fund envisaged for some later date, the need to study the financing sources to be organised around two options: one based on the "polluter pays" principle applied to shipbuilders or ship-owners, the other arguing against imposing additional costs on shipbuilders in what was already a strongly competitive market;
- the problem of the industrial demand for dismantling and the difficulties in finding private investors in Europe, and the need, therefore, to provide economic incentives to get shipping companies to invest in dismantling in satisfactory conditions both inside and outside the territory of the EU;
- the distinction that could usefully be made between the decontamination phase and that of dismantling, with due emphasis on the human, social and moral dimension of the prior depollution obligation concerning ships to be dismantled;

- the need to work out long-term control and monitoring solutions at European level, particularly through a system of licences, or even declarations of decontamination;
- the value of introducing preventive measures concerning the use of polluting and dangerous materials when ships are being built;
- the need to consider the misuse of ships to be dismantled for trafficking in illegal immigrants, something to be watched particularly by the European Agency for the Management of Operational Cooperation at the External Borders (FRONTEX);
- the attention to be paid to the practice of running ships aground, after decontamination, for the purpose of tourism and the creation of artificial reefs.

Mr DIMAS then thanked the Commission Members for their contributions and noted the following points in particular:

- the need to work with the non-member countries in order to find sustainable and sound dismantling methods;
- the need to make better use of European capacity by means of better information and coordination between Member States;
- the relevance of an active role of the European Union in international negotiations, in particular with the IMO, in favour of a global approach adapted to the specific nature of sea transport and the establishment of adequate environmental and health standards in the dismantling of ships;
- the need to find a reliable international control and monitoring system, but also the difficulties this involves;
- the importance of the decontamination stage.

The PRESIDENT concluded by emphasising the many aspects of the dismantling issue and the need for the Commission to address it. He asked Mr DIMAS to

associate other Commission Members, in particular Ms KROES, Mr VERHEUGEN and Mr BARROT in the preparation of this major initiative which should demonstrate the Commission's leading role in the matter.

The Commission took note of the results of the debate and of the information note from Mr DIMAS in SEC(2007)399/4.

10. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT - A POLICY TO REDUCE UNWANTED BY-CATCHES AND ELIMINATE DISCARDS IN EUROPEAN FISHERIES (COM(2007)136 TO /3; SEC(2007)380; SEC(2007)381; SEC(2007)378)

Mr BORG briefly presented the communication he was tabling for approval. He outlined the problem of unwanted by-catches and discards currently practised for the share of the total catch not satisfying the criteria laid down in terms of value, size or quotas. In particular he stressed the scale of the phenomenon and the enormous proportion that these quantities represented in comparison with the final catch.

He highlighted the growing public concern with such practices in the exploitation of fishery resources. By way of example he pointed out that between 500 000 and 880 000 tonnes of fish had been discarded each year in the North Sea in the 1990s, which constituted an obvious waste of resources but also an irreplaceable loss for the ecosystems.

Mr BORG therefore explained the change of approach that the communication proposed, and which consisted in the gradual introduction of a discard ban, on a fishery by fishery basis. He emphasised the interest of this type of resource management, which fitted in with the "better regulation" approach, since it would no longer be a question of regulating only the landed and marketed catch, but the entire catch by the fishing vessel, but without imposing any additional technical

specifications on fishermen and leaving it to the sector to judge the most effective means of achieving the result sought.

He added in this connection that the objective of such a ban would also be to encourage the fishing industry to devise techniques to increase the targeted catch and to reduce as far as possible by-catches and therefore discards.

Mr BORG finished with examples of similar measures put in place successfully in a number of countries and considered that, while the situation of European fisheries was more complex, the fact that the proposed ban was to be introduced gradually should make it possible to use the experience acquired to find effective practices that could in due course be brought into general use.

In conclusion, he mentioned the discussions to come with the stakeholders, the Member States and the European Parliament, pointing out that it should then be possible to submit to the Commission in 2008 concrete proposals specific to certain fisheries.

Mr DIMAS drew attention to the importance of the step taken with this communication which envisaged for the first time a ban on discards, a practice that he termed unacceptable and which had an irreversible impact on the marine environment and also on the viability of fisheries. Like Mr BORG, he reminded the meeting that many non-member countries had already taken this step.

Concerning the content of the communication, he drew particular attention to the two key aspects: monitoring and control (Section 4), which would have to be one of the essential elements of the policy to be mounted; and the incentives for change (Section 5), which would have to be carefully devised and include financial aid within the framework of the existing financing instruments.

In conclusion he assured Mr BORG of his full collaboration in drawing up the future specific proposals.

In a brief exchange of views, the Commission also referred to the difficulties encountered in the Council during the negotiation of the fishing quotas and raised the central issue of how to take these by-catches into account in the existing quotas.

Mr BORG returned quickly to the aspect of monitoring, which he admitted was important and would be made possible by the fact that the discard ban was to be introduced gradually. As far as incentives were concerned, what was important was maintaining the right balance between the compensation that would have to be given to fishermen and the essential need to avoid providing financial aid that might increase the take of certain species that had hitherto been discarded. Lastly, he assured the Commission that he was determined to do his utmost to preserve the principle of relative stability which gives the Member States a fixed percentage of fishing opportunities for each species.

After the exchange of views, the Commission approved the communication in COM(2007)136/3, for transmission to Parliament and the Council, and to the national parliaments, together with the impact assessment and summary in the staff papers distributed as SEC(2007)380 and SEC(2007)381 respectively, the contents of which were noted.

11. OTHER BUSINESS

ONGOING INVESTIGATION INTO A CASE OF SUSPECTED CORRUPTION

The PRESIDENT referred to the raids carried out simultaneously the previous day in Belgium, Italy, France and Luxembourg as part of an investigation into a case of suspected corruption involving a Commission official.

He pointed out that the case was in the hands of the judicial authorities after the European Anti-Fraud Office (OLAF) had conducted its inquiries and that it was not for the Commission to comment on the details of an ongoing investigation which was in any case covered by the confidentiality of the proceedings. The PRESIDENT

therefore considered that discretion was necessary, if only not to hamper the serenity, effectiveness and independence of the investigation and in full compliance with the presumption of innocence.

The PRESIDENT guaranteed the Commission's full collaboration with the investigation and confirmed its policy of zero tolerance and absolute rigour in respect of any suspicion of fraud. The Commission would take whatever measures were required for the protection of the financial interests of the European Union.

The PRESIDENT concluded by emphasising that the Commission was not the perpetrator, but on the contrary the victim of such acts and instructed the Legal Service to submit a request for a civil action to be brought as soon as possible on behalf of the institution.

The Commission took note of this information.

12. INTERINSTITUTIONAL RELATIONS

(SEC(2007)387)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 23 March (SEC(2007)387).

It paid particular attention to the following:

12.1. LEGISLATIVE MATTERS

i) Codecision procedure

(point 1.1.1 of the record of the IRG)

Conciliation procedure

- Law applicable to non-contractual obligations (Rome II) (Regulation) – WALLIS report – 2003/0168 (COD)

The Commission authorised Mr FRATTINI, under the conciliation process, to take the necessary initiatives with a view to promoting an alignment of the positions of Parliament and the Council based on the approach set out in SPI(2007)27/2.

ii) Preparation of agreements at first reading

(point 1.1.2 of the record of the IRG)

- Rapid border intervention teams (Regulation) – DEPREZ report – 2006/0140 (COD)

The Commission authorised Mr FRATTINI to pursue contacts with Parliament and the Council in order to reach agreement at first reading along the lines set out in SI(2007) 239 and /2.

- Payment services in the internal market (Directive) – GAUZES report – 2005/0245 (COD)

The Commission authorised Mr MCCREEVY to pursue contacts with Parliament and the Council in order to reach agreement at first reading along the lines set out in SI(2007)240/2.

- Simplification and rationalisation of the reports in the field of security and health (Directive) – FIGUEIREDO report – 2006/0127 (COD)

The Commission authorised Mr ŠPIDLA to pursue contacts with Parliament and the Council in order to reach agreement at first reading along the lines set out in SI(2007)241.

iii) Preparation for the March II part-session of Parliament

(point 1.2 of the record of the IRG)

In accordance with the rules in force, the Commission authorised the Commission Members responsible, in agreement with the PRESIDENT and Ms WALLSTRÖM and any other Members concerned, to take a position on Parliament's amendments to its proposals.

It paid particular attention to the following:

Codecision – 1st reading

- Obligations of flag States (Directive) – VINCENZI report – 2005/0236 (COD)

The Commission approved the line set out in SP(2007)1423.

- Civil liability and financial securities for ship-owners (Directive) – SAVARY report – 2005/0242 (COD)

The Commission approved the line set out in SP(2007)1424, while noting that in Section 2(5)(c) (bottom of page 4), "amendment 18" should read "amendment 26".

- Medical devices (Directive) – ULMER report – 2005/0263 (COD)

Further to documents SP(2006)5473 and /3, the Commission approved the line set out in SP(2007)1425 and /2.

- Structural business statistics (Regulation) – FERREIRA report – 2006/0020 (COD)

The Commission approved the line set out in SP(2007)1427.

- Mediation in civil and commercial matters (Directive) – McCARTHY report – 2004/0251 (COD)

The Commission approved the line set out in SP(2007)1455.

Consultation

- Organic production and labelling of organic products (Regulation) – AUBERT report – 2005/0278 (CNS)

The Commission approved the line set out in SP(2007)1419 and /3.

iv) Preparations for Council meeting (Fisheries) (Brussels, 16 and 17 April)

(point 1.3 of the record of the IRG)

- Establishing measures for the recovery of the stock of European eel (Council Regulation) – 2005/0201 (CNS)

The Commission authorised Mr BORG, with a view to the Council meeting (Fisheries) on 16 and 17 April, to accept a compromise following the line set out in SI(2007)243/2.

- Management plan for fisheries exploiting the stocks of plaice and sole in the North Sea (Council Regulation) – 2006/0002 (CNS)

The Commission authorised Mr BORG, with a view to the Council meeting (Fisheries) on 16 and 17 April, to accept a compromise following the line set out in SI(2007)244/2.

12.2. RELATIONS WITH THE COUNCIL

v) Planning of work of the Council

(SI(2007)249)

The Commission took note of the information on Council meetings between 22 March and 4 April in SI(2007)249.

vi) Meetings of the Heads of State and Government on 24 and 25 March in Berlin to celebrate the 50th anniversary of the signing of the Treaties of Rome

The PRESIDENT reported on the results of the meetings of the Heads of State and Government on 24 and 25 March in Berlin. He felt that the event had been a great success and welcomed the progress achieved by the "two-track" strategy advocated by the Commission, focusing on a Europe that delivered results while at the same time seeking a solution to the constitutional deadlock.

He emphasised in particular the symbolic importance of the Berlin commemoration, which celebrated a reunited Europe while affirming and strengthening common values such as peace, freedom, democracy, solidarity, tolerance and prosperity, as well as the commitment to address global challenges together. He also spoke of the commitment made at the informal summit to place the European Union on a renewed common basis before the European Parliament elections in 2009.

The PRESIDENT noted with satisfaction that the Commission's initial idea had been realised and that its suggestions had been incorporated in the text of the Berlin declaration. He highlighted in particular the references to common values and notable successes such as the euro, the internal market and enlargement, as well as recognition of the role of the institutions, the Community method and the importance of European integration for addressing globalisation and climate change while pursuing objectives such as sustainable development, social cohesion, solidarity and competitiveness.

The PRESIDENT said that in the next stage the Commission would have to demonstrate pragmatism as well as ambition, and maintain and reinforce cooperation with the other institutions. The Commission had supported and would continue to support the Council presidency to achieve a mandate which, while clear and ambitious, was based on consensus, and a road map that would enable progress to be made on the institutional issue during the next Council presidencies with a view to attaining the desired results before the European elections in 2009. He underlined the Commission's responsibility and the key role it must play in achieving this aim, without forgetting that of the governments of the Member States.

The Commission must therefore step up its efforts and propose working arrangements in the coming months.

A wide-ranging discussion followed during which the following points were mentioned:

- the excellent cooperation between the Commission and the Council Presidency;
- the significant contribution made by the Presidency and in particular the German Chancellor to the positive results of the spring European Council in Brussels and of the informal meeting in Berlin;
- the importance for the Commission to show transparency in communications to citizens on the institutional issue;
- the close cooperation and solidarity between the Commission and the governments of the Member States, and the need to understand their different positions on the constitution;
- the recognition in the media of the success of the Commission's "two-track" strategy;
- the significant mobilising effect of the celebrations of 24 and 25 March in Berlin and other European capitals, including the youth summit in Rome.

Ms WALLSTRÖM also spoke of public and media opinion on the 50th anniversary of the signing of the Rome treaties. The Berlin celebrations and declaration had received considerable press coverage. She referred in particular to the results of the opinion polls, which evidenced support for membership of the European Union and European integration although she noted that so far this support had not produced a strong sense of belonging.

Ms WALLSTRÖM noted that there had been comments calling the Berlin declaration minimalist and expressed doubts regarding the solution proposed for finding a way out of the constitutional deadlock by 2009. There had also been comments on the lack of any reference in the declaration to Europe's Christian origin. However, there had been recognition of the European

Union's key role in bringing about peace, prosperity, economic success, the single currency, freedoms and the internal market.

Ms WALLSTRÖM noted with satisfaction that the celebrations had mobilised large numbers of people. She mentioned in particular the youth summit on 24 and 25 March in Rome, which had brought together young people from all the Member States and representatives from the European institutions, including Mr FIGEL' and herself as the Commission's representatives.

The Commission took note of this information.

vii) Negotiations with the Central America Republics, the Andean Community, India, Korea and the Association of South-East Asian Nations (Asean) – Joint declaration Commission / Council
(point 2.3 of the record of the IRG)

The Commission authorised its departments to support, within the Council, the corrected text of the joint declaration along the lines set out in SI(2007) 245/3.

viii) Preparations for the informal meeting of economic and finance ministers (Berlin, 20 and 21 April) – Commission draft *non-paper* concerning VAT fraud
(point 2.4 of the record of the IRG)

The Commission took note of the draft non-paper and of Mr KOVÁCS' intention of submitting it for discussion at the informal meeting of economic and finance ministers on 20 and 21 April along the lines set out in SI(2007) 257/2.

12.3. RELATIONS WITH PARLIAMENT

ix) Action taken on Parliament's opinions and resolutions
(point 3.5.2 of the record of the IRG)

The Commission approved SP(2007)1040 on the action taken on Parliament's opinions and resolutions adopted at its meeting in February, for transmission to Parliament.

x) Action taken on Parliament's non-legislative resolutions
(point 3.5.3 of the record of the IRG)

The Commission approved SP(2007)1426 on the action taken on Parliament's non-legislative resolutions adopted at its January I and II sessions, for transmission to Parliament.

xi) Action taken on the European Parliament Resolution on the draft Commission decisions establishing country strategy papers and indicative programmes for Malaysia, Brazil and Pakistan
(point 3.5.4 of the record of the IRG)

The Commission approved SP(2007)1557 on the action taken on the European Parliament resolution on the draft Commission decisions establishing country strategy papers and indicative programmes for Malaysia, Brazil and Pakistan adopted at its meeting in February, for transmission to Parliament.

xii) Participation by Members of Parliament in international conferences
(point 3.7 of the record of the IRG)

- Participation of four members of Parliament in the G8 summit (Heiligendamm, 6 to 8 June)
- Participation of four members of Parliament at the conference of the Food and Agriculture Organization of the United Nations (FAO) (34th meeting) (Rome, 17 to 24 November)

- Participation of two members of Parliament at the 17th annual meeting of the United Nations Convention on the Law of the Sea (New York, 4 to 8 June)

The Commission decided to agree to the request to the PRESIDENT by Mr PÖTTERING, the President of the European Parliament, for four members of Parliament to attend the conference of the Food and Agriculture Organization of the United Nations (FAO) (34th meeting) and for two members to attend the 17th annual meeting of the United Nations Convention on the Law of the Sea, and to refuse the request for four members of Parliament to attend the G8 summit.

13. TRENDS IN THE MEMBER STATES

(SEC(2007)423)

The Commission took note of the note distributed by Ms WALLSTRÖM in SEC(2007)423 (point 12.2.vi of these minutes).

14. RELATIONS WITH THIRD COUNTRIES

STATE OF PREPARATIONS OF THE FUTURE EU AND INTERNATIONAL CIVILIAN PRESENCE IN KOSOVO

(SEC(2007)434)

Mr REHN began by informing the Commission of the progress made in deciding on the future status of Kosovo following the presentation on 26 March to the Secretary-General of the United Nations of the final report of Mr Martti Ahtisaari, the special envoy to the region.

Mr REHN highlighted Mr Ahtisaari's recommendation that Kosovo should gain independent status under the supervision of the international community, and

summarised the main provisions of the proposed overall settlement. He told the meeting that the UN Secretary-General and the Council Presidency had already expressed their full support for these recommendations and proposals.

With regard to the next steps to be taken, at the beginning of April Mr Ahtisaari was to present his final report to the Security Council. MR REHN pointed out that it was important for the EU to remain united during the debate that was to follow in the Security Council up to adoption of the Resolution.

Mr REHN went on to summarise the main points of the joint document, drawn up with the Secretary-General of the Council / High Representative, on the preparations of the future European and international civilian presence in Kosovo. This document had been transmitted the previous day to the Member States in preparation for the informal meeting of Foreign Ministers on 30 and 31 March in Bremen. The document highlighted the need to ensure coordinated unity and support with regard to the special envoy of the United Nations, while confirming a tangible European perspective for Kosovo in line with the Thessaloniki commitments.

Lastly, Mr REHN referred to the financial aspect of the democratisation and institutional stabilisation process to be implemented once Kosovo's status had been finally settled, emphasising that the Community budget alone could not support the whole process. He intended to raise the question of sharing the burden with the Member States at the informal meeting in Bremen.

The Commission held a brief exchange of views on this question, mentioning in particular the following:

- the risks of instability in the western Balkans;
- current prospects as regards the position of other players in the international community represented in the UN Security Council;
- the need to arrive at a sustainable solution for the whole region while reaffirming a European perspective for Serbia;

(28 March 2007)

- the importance of encouraging the Serbian people and the forces of reform in Serbia to put an end to nationalist rhetoric and make a firm commitment to frank and constructive cooperation with the international community.

The Commission took note of these observations and of Mr REHN's briefing note in SEC(2007)434.

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The meeting closed at 12.30 hours.