



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2007)1787 final

Brussels, 16 May 2007

MINUTES

of the 1787th meeting of the Commission

held in Brussels

(Berlaymont),

on Thursday 10 May 2007

(morning)

—

PV(2007)1787 final

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Single sitting: Thursday 10 May 2007 (morning)

The sitting opened at 0910 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 KALLAS Vice-President

Ms REDING

Mr BORG

Ms GRYBAUSKAITĖ

Mr POTOČNIK

Mr FIGEL'

Mr KYPRIANOU

Mr MICHEL

Items 1 to 13/14/15 (in part)

Mr KOVÁCS

Ms KROES

Ms FERRERO-WALDNER

Mr McCREEVY

Mr ŠPIDLA

Mr PIEBALGS

Ms KUNEVA

Items 11 (in part) to 16

Mr ORBAN

Absent:

Mr FRATTINI

Vice-President

Mr DIMAS

Mr ALMUNIA

Ms HÜBNER

Mr REHN

Ms FISCHER BOEL

Mr MANDELSON

(10 May 2007)

The following sat in to represent absent Members of the Commission

Mr BETTANINI	A member of Mr FRATTINI's staff	
Mr SCHELLEKENS	Deputy Chef de cabinet to Mr DIMAS	
Mr THOMAS	Chef de cabinet to Mr ALMUNIA	Items 1 to 11, 13/14/15 (in part) and 16
Mr KORTE	Chef de cabinet to Ms HÜBNER	
Ms VERGER	A member of Mr REHN's staff	
Mr CHRISTOFFERSEN	Chef de cabinet to Ms FISCHER BOEL	
Mr FRASER	Chef de cabinet to Mr MANDELSON	Items 1 to 13/14/15 (in part)
Mr HAUGAARD	A member of Mr MANDELSON's staff	Items 13/14/15 (in part) and 16

The following also sat in

Mr VALE DE ALMEIDA	Chef de cabinet to the PRESIDENT	
Mr PETITE	Director-General, Legal Service	
Mr CARVOUNIS	Deputy Director-General, Communication DG	
Mr LAITENBERGER	Commission Spokesman	
Mr CONDOMINES BERAUD	Bureau of European Policy Advisers	
Mr THEBAULT	Deputy Chef de cabinet to the PRESIDENT	
Ms MARTINHO	Chief adviser in the PRESIDENT's office	Items 1 to 11
Mr DUCATEL	A member of Ms REDING's staff	Items 1 to 15
Mr ADAMIŠ	Chef de cabinet to Mr FIGEL'	Items 1 to 11
Ms GARCÉS TOLON	A member of Ms KUNEVA's staff	Items 1 to 11 (in part)

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

1. AGENDAS

(OJ(2007) 1787/3; SEC(2007)577/2)

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) 1787)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 7 May.

3. APPROVAL OF MINUTES AND SPECIAL MINUTES OF 1786th MEETING

(2 MAY)

(PV(2007) 1786; PV(2007)1786, Part II)

The Commission approved the minutes of its 1786th meeting.

4. INTERINSTITUTIONAL RELATIONS

(SEC(2007)576)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 4 May (SEC(2006)576).

It paid particular attention to the following:

4.1. LEGISLATIVE MATTERS

- i) Preparation for the May I 2007 part-session of Parliament**
(point 1.2 of the record of the IRG)

(10 May 2007)

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 2nd reading

- Public passenger transport services by rail and by road (Regulation)
MEIJER report - 2000/0212 (COD)

The Commission approved the line set out in SP(2007)1921/3.

- Nominal quantities for pre-packed products (Directive) –TOUBON report
– 2004/0248 (COD)

The Commission approved the line set out in SP(2007)2148.

- Approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles (Directive) –
HARBOUR report – 2003/0153 (COD)

The Commission approved the line set out in SP(2007)2149 and /2.

Empowerment

- Public passenger transport services by rail and by road (Regulation)
MEIJER report - 2000/0212 (COD)
- Nominal quantities for pre-packed products (Directive) –TOUBON report
– 2004/0248 (COD)
- Approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles (Directive) –
HARBOUR report – 2003/0153 (COD)

(10 May 2007)

The Commission empowered Mr VERHEUGEN and Mr BARROT, each for the items within their area of responsibility, under Article 13 of its Rules of Procedure, in agreement with the PRESIDENT and Ms WALLSTRÖM and any other Members associated, to adopt and transmit to the Council their opinion about the amendments, in accordance with Article 251(2)(c) of the Treaty, once Parliament had delivered its opinion, together with an amended proposal if appropriate, on the basis of the line set out in SP(2007)1921/3, SP(2007) 2148, and SP(2007) 2149 and /2 respectively.

Codecision – 1st reading

- Retrofitting of mirrors to heavy goods vehicles registered in the Community (Directive) – COSTA report – 2006/0183 (COD)

The Commission approved the line set out in SP(2007)2146.

Consultation

- Approximation of excise duties on alcohol and alcoholic beverages (Directive) – LULLING report – 2006/0165 (CNS)

The Commission approved the line set out in SP(2007)2151 and /2.

ii) Preparations for Conciliation Committee meeting on 15 May (point 1.3 of the record of the IRG)

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

With a view to the Conciliation Committee meeting on 15 May, the Commission authorised Mr FRATTINI to pursue contacts with Parliament and the Council in order to reach a final compromise, following the line set out in SPI(2007) 42/2.

4.2. RELATIONS WITH THE COUNCIL

iii) Programming of Council business**(SI(2007) 416)**

The Commission took note of the information in SI(2007)416 on the Council meetings between 3 and 16 May.

4.3. RELATIONS WITH PARLIAMENT**iv) Action taken on Parliament's opinions and resolutions**

(point 3.5.2 of the record of the IRG)

The Commission approved the documents SP(2007)1901 and /2 on the action taken on Parliament's opinions and resolutions adopted at its March I and II part-sessions, for transmission to Parliament.

v) Action taken on Parliament's non-legislative resolutions

(point 3.5.3 of the record of the IRG)

The Commission approved the documents SP(2007)2139 and /2 on the action taken on the Parliament's non-legislative resolutions adopted at its March I part-session, for transmission to Parliament.

4.4. RELATIONS WITH THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS, THE OMBUDSMAN AND NATIONAL PARLIAMENTS**vi) Addendum to the cooperation protocol between the Commission and the European Economic and Social Committee – Information policy**

(point 4.1 of the record of the IRG)

The Commission approved the *addendum* to the cooperation protocol between the Commission and the Economic and Social Committee concerning information policy contained in SC(2007)22, and authorised Ms WALLSTRÖM to sign it on behalf of the Commission.

vii) Follow-up to Economic and Social Committee opinions in the fourth quarter of 2006 (October and December 2006 plenary sessions)
(point 4.2 of the record of the IRG)

The Commission approved the replies to the opinions adopted by the Economic and Social Committee during the fourth quarter of 2006 contained in the document distributed as SC(2007)24, for transmission to the European Economic and Social Committee.

viii) Follow-up to Committee of the Regions opinions – Thirtieth report (September 2006 plenary session)
(point 4.3 of the record of the IRG)

The Commission approved the replies to the opinions adopted by the Committee of the Regions during the first half of 2006, contained in the document distributed as SR(2007)13, for transmission to the Committee of the Regions.

ix) 2006 annual report on relations with national parliaments
(point 4.4 of the record of the IRG)

The Commission approved the 2006 Annual report on relations with the national parliaments as contained in the document distributed as SP(2007)2202/3.

5. MONITORING THE APPLICATION OF COMMUNITY LAW

5.1. STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST
(SEC(2007)616; SEC(2007)597)

The Commission adopted the decisions in the recapitulative list SEC(2007)616.

**5.2. STATE AID – INDIVIDUAL CASE – COMMISSION DECISION
PURSUANT TO ARTICLE 86(3) OF THE EC TREATY
(C(2007)2110)**

The Commission adopted the decision in SEC(2007)2110.

**5.3. INFRINGEMENTS - CASES POSTPONED BECAUSE OF NON-
AVAILABILITY OF DOCUMENTS - REGULARISATION
(SEC(2007)598)**

The Commission adopted the decisions in SEC(2007)598.

**6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2007) 581)**

**ADMINISTRATIVE MATTERS
(PERS(2007)56)**

**6.1. SG – REOPENING OF INTERNAL PUBLICATION OF AN AD14/15
DIRECTOR FUNCTION
(PERS(2007)54)**

On a proposal from Mr KALLAS, in agreement with the PRESIDENT, the Commission decided to authorise the reopening of the publication, under Article 29(1)(a)(i) and (iii) of the Staff Regulations, of the vacancy notice in PERS(2007)54, for the function of Director, Better Regulation, Programming and Impact Assessment, in the Secretariat-General.

This decision would take effect immediately.

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**6.2. DG ADMIN - OVERALL RECRUITMENT OF EU-2 STAFF -
RECRUITMENT TARGETS FOR SENIOR AND MIDDLE
MANAGEMENT EU-2 – RECRUITMENT TARGETS FOR
MIDDLE MANAGEMENT EU-10
(SEC(2007)592 AND /2; SEC(2007)593)**

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

- adopted the communication in SEC(2007)592/2;
- tasked Mr KALLAS with implementing the methodology advocated in SEC(2007) 592/2, and with reporting to the Commission in the course of the first half of 2008 on the results achieved;
- authorised Mr KALLAS, if necessary, to make limited adjustments to the targets for the recruitment of nationals of the new Member States to management functions, in line with the principles and methodology set out in the communication.

These decisions would take effect immediately.

**6.3. DG ADMIN - PROMOTION OF SENIOR MANAGEMENT OFFICIALS
(SEC(2007)605)**

On a proposal from Mr KALLAS, in agreement with the PRESIDENT, the Commission adopted the principles and the procedure in SEC(2007)605.

This decision would take effect immediately.

**6.4. DG ADMIN – APPOINTMENT OF THE CHAIRMAN OF THE
DISCIPLINARY BOARD
(PERS(2007)55)**

Having taken note of the information set out in item 4 of PERS(2007)56, the Commission noted the decision of Mr KALLAS to appoint Mr Carl Otto LENZ Chairman of the Disciplinary Board, a grade AD15 function, for a term

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of one year, renewable four times, in accordance with Article 10 of Commission decision C(2002)540 of 19 February 2002.

The date on which the contract of Mr Carl Otto LENZ would take effect was set at 16 May 2007.

**7. COMMISSION DECISION CONCERNING A PROCEEDING UNDER ARTICLE 8(2) OF COUNCIL REGULATION (EC) 139/2004 OF 20 JANUARY 2004 ON THE CONTROL OF CONCENTRATIONS BETWEEN UNDERTAKINGS AND ARTICLE 57 OF THE EEA AGREEMENT (CASE COMP/M.4381 – JCI/VB/FIAMM)
(C(2007)1863 TO /9)**

The Commission

- took note of the opinion of the Advisory Committee on Concentrations of 19 April in C(2006)1863/4;
- took note of the final report of the Hearing Officer of 19 April in C(2006)1863/5;
- adopted, in the authentic language (English), the decision set out in C(2007)1863/9, declaring the notified operation compatible with the common market and the operation of the Agreement on the European Economic Area subject to full compliance with the commitments made, as set out in C(2007) 1863/7 and /8;
- decided to notify the firm concerned of the decision in C(2007)1863/9, /7 and /8, together with the final report of the Hearing Officer and the opinion of the Advisory Committee;
- decided that the most important parts of the decision as well as the opinion of the Advisory Committee and the report of the Hearing Officer would be

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published in the official languages of the Union in the Official Journal of the European Union (with business secrets removed) ;

- decided to publish the decision (with business secrets removed) on the Internet.

8. COMMISSION COMMUNICATION TO PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – PROMOTING SOLIDARITY BETWEEN THE GENERATIONS

(COM(2007)244 TO /3; SEC(2007)590)

The Commission approved, subject to a final linguistic check, the communication set out in COM(2007)244/3, for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

9. RELATIONS WITH THIRD COUNTRIES

INTERNATIONAL COMPACT WITH IRAQ AND INTERNATIONAL CONFERENCE OF THE NEIGHBOURING COUNTRIES OF IRAQ, (SHARM EL-SHEIKH, 3 AND 4 MAY)

(SEC(2007) 634)

The Commission took note of the information note from Ms FERRERO-WALDNER in SEC(2007)634.

10. OTHER BUSINESS

10.1. PREPARATION FOR THE MINISTERIAL CONFERENCE "TOWARDS THE EUROPEAN HIGHER EDUCATION AREA: RESPONDING TO CHALLENGES IN A GLOBALISED WORLD" (LONDON, 17 AND 18 MAY) (SEC(2007) 630)

The Commission took note of the information note from Mr FIGEL' in SEC(2007)630.

10.2. SPRING 2007 ECONOMIC FORECASTS AND THEIR IMPLICATIONS FOR BUDGETARY SURVEILLANCE (SEC(2007) 631; SEC(2007)632)

The Commission took note of the information notes from Mr ALMUNIA in SEC(2007)631 and SEC(2007)632.

11. COMMISSION COMMUNICATION TO PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – A EUROPEAN AGENDA FOR CULTURE IN A GLOBALIZING WORLD (COM(2007)242 TO /4; SEC(2007)570 TO /3; SEC(2007)586)

The PRESIDENT introduced the communication that he and Mr FIGEL' were presenting for the Commission's approval in agreement with Mr REHN, Mr MICHEL, Ms FERRERO-WALDNER and Mr ORBAN. He began by welcoming the fact that this communication highlighted the importance of culture for the European identity, observing that in times of globalisation culture was a vital tool for tackling the great challenges of social cohesion, growth and employment, loss of identity and international relations.

He recalled the conclusions of the Commission's working meeting on culture on 28 March, which had highlighted the need for a fresh approach here. He explained that it was the Commission's responsibility to avoid staying out of discussions on culture at European level and noted that the growing importance of culture for the European integration process was now unanimously acknowledged while cultural circles were placing high hopes in closer association with the European venture.

The PRESIDENT referred to certain calls for caution made in the course of the internal debate, which had aimed to raise awareness of the risk that a policy initiative might give the impression that there was a plan to harmonise the Member States' cultural policies and vigorously reasserted that there was no question of harmonisation or of legislative measures but solely of launching ideas and promoting initiatives. He reiterated the epigram by Denis de Rougemont cited in the communication that "Culture requests a paradoxical pact: diversity must be the principle of unity", and confirmed that the concept underlying the initiative was to maintain cultural diversity and not to harmonise.

The PRESIDENT considered that that day's communication struck the right balance and bore witness to the value added by a European approach to culture. He saw it as a "political manifesto", a statement on the role of culture in the European venture and an acknowledgement of the contribution that culture could make to attaining the EU's political goals.

He concluded by noting the excellent preparatory work that had been done, which had enabled the communication to incorporate the external dimension which he felt was so important for projecting European values on to the international scene in the globalisation process.

Mr FIGEL' thanked the PRESIDENT for his commitment. He considered that Europe was defined in cultural rather than economic or geographic terms and cited the statement attributed to Jean Monnet that "If I had to start again, I would start with culture". He welcomed the fact that with this communication the Commission was for the first time in its history sending a powerful message on culture and its value to the Community.

He confirmed in his turn that no harmonisation objective was being pursued but that culture was to be highlighted as a field which not only held a special place in the minds and affections of Europe's citizens but also constituted a vector for strategic objectives such as growth and employment.

He thanked Members and the staff reporting to them for the many contributions received and also drew attention to the extensive consultations with interested parties, who, he emphasised, had great expectations.

Mr FIGEL' reminded the meeting of the three major priorities set by the communication: promoting cultural diversity and intercultural dialogue, promoting culture as the catalyst for creativity, innovation, growth and employment, and promoting international political dialogue and cooperation.

As regards cultural diversity, he noted the considerable progress made in this area with the entry into force in March of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Regarding the role of culture as the catalyst for attaining the Union's strategic objectives, he particularly emphasised the contribution of the creative industries to wealth and job-creation. Lastly, he felt that promoting international dialogue created the conditions for cultural diversity.

Regarding the method, he alluded to the concerns raised by the use of the open coordination method and asserted that it would be implemented sensitively and flexibly, without any quantitative objectives being set.

He welcomed the new momentum generated by the communication, which would enable a practical agenda to be set, the content being debated at annual meetings of a cultural forum where interested parties could be consulted. He was very pleased that the communication incorporated the external dimension, emphasising Europe's status as a world superpower in the field of cultural diversity.

Mr FIGEL' concluded by thanking all Commission Members for having been part of the process of generating this new dynamic, which he felt helped to reveal the human face of the Commission and the European institutions.

Mr MICHEL thanked the PRESIDENT for having led this reflection process. He also emphasised that Europe and culture were two realities closely bound up with each other and that culture and artistic creation were also vectors for development.

He considered that there was no single development model and that culture, as a specific parameter of a people and as a vital component of the vitality of a community, offered an interesting perspective for development and a great source of motivation for peoples. He emphasised the increased importance of preserving and promoting diversity and dialogue between cultures in the context of globalisation. Europe was living proof that it was possible to bring peoples closer together while respecting the diversity and equality of cultural expressions.

Mr MICHEL underlined two important factors in the relationship between culture and development, underlying the proposal to set up a cultural fund between the EU and the African, Caribbean and Pacific States (ACP): the importance of ensuring that the people in the ACP States had access to culture and its various modes of expression and encouraging the emergence of local industries and markets, and the need to encourage access to the European market for cultural products from partner countries by means of preferential agreements or support measures. He felt that this fund, intended to encourage the distribution and in some cases the production of cultural products from the ACP States, would enable the content of that day's communication to be speedily translated into specific measures.

Ms FERRERO-WALDNER in turn praised the excellent quality of the document. She pointed out that culture represented the best of Europe's experience, bore great hopes for the future and had a positive emotional dimension.

She emphasised its role as a vector enabling Europe's major values, and particularly human rights, to be projected towards the world at large. She considered that the EU

was already highly active in the cultural field almost everywhere in the world, but reported that more remained to be done in certain countries such as Yemen.

The Commission also considered the following aspects:

- the major importance of culture not only as such but as a means of facilitating international relations;
- the conclusion of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
- Europe's credibility on issues of cultural diversity and the importance of using this concept of diversity as the basis for the approach to be taken in international relations;
- the specific contribution that cultural policy could make as regards the cinema, which could serve as a valuable medium for conveying political messages on tricky issues such as migration;
- the vital role of the actions envisaged in the ACP States.

Following this exchange of views, the Commission approved the communication in COM(2007)242/3 and /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 inventory of Community action in the cultural field set out in the staff paper distributed as SEC(2007)570/3, the contents of which were noted.

12. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

12.1. WRITTEN PROCEDURES APPROVED

(SEC(2007)578 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 30 April and 4 May.

12.2. SENSITIVE WRITTEN PROCEDURES

(SEC(2007) 579)

The Commission took note of the sensitive written procedures for which the time limit expired between 7 and 11 May and of the "finalisation" written procedure initiated following the weekly meeting of Chefs de cabinet on 27 April.

12.3. EMPOWERMENT

(SEC(2007)580 et seq.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 30 April and 4 May.

12.4. SIGNING OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE EUROPEAN UNION AND THE COUNCIL OF EUROPE

(SEC(2007)601 AND /2)

The Commission approved the memorandum of understanding between the EU and the Council of Europe as set out in annex to SEC(2007)601/2 and authorised Ms FERRERO-WALDNER or, if she was not available, whoever she should designate, to sign the memorandum of understanding on behalf of the Commission, subject to approval by the Permanent Representatives Committee (COREPER).

**12.5. AD HOC EMPOWERMENT IN PREPARATION FOR THE EU-AFRICA
MINISTERIAL TROIKA MEETING
(SEC(2007)567 AND /2; SEC(2007)594)**

Mr MICHEL informed the Commission Members of the preparations for the summit between the EU and Africa, which he saw as the real political challenge of the year for relations between the two partners, and which was scheduled for 7 and 8 December in Lisbon. He referred to the intensive contacts with the future Portuguese Presidency of the Council on the matter and pointed out that the Commission would have a central role to play in the process, requiring an active contribution from all the members and their departments.

He explained the various stages on the road to the summit, with the adoption on 15 May next by the EU-Africa Ministerial troika of the document entitled "Outline for the Joint European Union-Africa Strategy", a draft of which was annexed to the information note SEC(2007) 567/2, then the drafting of a joint Commission and Council Secretariat document which would constitute the European contribution to the joint EU - Africa strategy, a parallel document also being prepared on the African side. The negotiations on the text of the joint strategy would then begin in July.

Mr MICHEL pointed out that this strategy document would be one of the key items for the summit and would be the basis for drawing-up an action plan containing commitments from both sides, the two documents to be formally adopted by the summit. He added that a policy declaration would enshrine the strategic dimension of the relationship between the EU and Africa.

He admitted that the timetable was very tight and therefore urged the other Commission Members to identify quickly in their areas of responsibility the political priorities to be highlighted and the concrete results that the summit should produce, on the basis of the work already carried out under the European strategy for Africa adopted by the European Council in December 2005. In this connection he referred to the major challenges for the summit,

particularly in the areas of migration and energy, the plan being to work out an energy partnership with Africa.

Mr MICHEL accordingly asked all the Commission Members look into the matter in order to give their departments the necessary strategic guidance and to provide as soon as possible prospects of some real content for the summit.

The Commission then held a brief discussion during which the following aspects were examined:

- the excellent collaboration in the drafting of the information note;
- the importance of coordinated implementation of the various financial cooperation instruments, particularly in respect of the Mediterranean rim countries covered by the European neighbourhood policy, and the need to ensure that during the negotiation procedure no wording was adopted that might call into question the neighbourhood policy and its financial instrument;
- the great importance that the Portuguese Presidency attached to the summit and the efforts it was already putting into it, but also the absence, for the time being, of a definitive decision as to its actually taking place;
- the need for such summits but also the difficulties connected with the participation of certain African States and case for using the dynamic of the preparation of the summit to press ahead with the search for solutions to certain problems that had persisted for a long time in relations with several African States;
- the vital importance of the migration issue at this summit;
- the usefulness of exploring avenues for reconciling the urgent request for increased financial support for Africa and the strong demand from the budgetary authority for sound and rigorous management of the funds;

- the contribution that the European Anti-Fraud Office might make to combating corruption in Africa.

On the last two issues, Mr MICHEL said that he did not consider it appropriate, from the point of view of effectiveness of Community aid to developing countries, to add even more levels of checks and audit to those that already applied to the management of the funds paid in support of projects. He felt that the checks performed were more than sufficient by reference to the administrative capacity available for the task in the countries concerned, and he even wished that less lack of confidence be shown in the practices.

The PRESIDENT thanked Mr MICHEL for this presentation of the prospects opened up by the EU - Africa summit, which was, he emphasised, one of the most important items for the Portuguese Presidency of the Council, and its first priority in terms of communication. He hoped that the outstanding problems connected with the organisation would be resolved in the meantime so that full benefit could be derived from this possibility of progressing with the African partner.

He reminded the meeting that Europe's strategy towards Africa was one of this Commission's flagship projects, and he underscored the importance of presenting prospects of concrete results, particularly in the areas of energy, trade and migration, and to go beyond the level of simple dialogue. He noted that on the migration question, it was necessary to seek to show that the summit could produce some added value, and he requested that the matter be handled at the highest level.

He accordingly gave his full backing to the request of Mr MICHEL that the other Commission Members and their departments provide substantial contributions with a view to drafting the communication scheduled for approval in June which would contain, in an annex, the draft joint document of the Commission and the Council Secretariat.

The PRESIDENT also made the link between the substance of the summit and the complex questions of country participation, judging that if potential concrete results were announced, participation would be even greater and the Commission's driving role would be better recognised. He also mentioned the link with the work in progress in the G8 and the contacts made in this connection with the President of the Republic of Ghana, who was currently presiding the African Union.

The PRESIDENT confirmed that the administrative burden connected with development aid was already heavy for the competent authorities of the countries concerned and, while reiterating the importance of utmost rigour in the administration of Community funds, stated that it did not seem appropriate to impose additional constraints.

In conclusion, the Commission granted the ad hoc empowerment, as set out in the information note distributed as SEC(2007)567/2, to the Commission Member responsible for development and humanitarian aid, in order to continue the discussions and to adopt the text annexed to the information note at the meeting of the EU-Africa ministerial troika on 15 May in Brussels.

12.6. DELEGATION AND SUBDELEGATION OF POWERS

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 30 April and 4 May, as archived in Greffe 2000.

13. JOINT TECHNOLOGY INITIATIVES: STATE OF PLAY AND WAY FORWARD

(SEC(2007)607 TO /3; SEC(2007)589)

14. PROPOSAL FOR A COUNCIL REGULATION ON THE ESTABLISHMENT OF THE ARTEMIS JOINT UNDERTAKING TO IMPLEMENT A JOINT TECHNOLOGY INITIATIVE IN EMBEDDED COMPUTING SYSTEMS
(COM(2007)243 TO /4; SEC(2007)582; SEC(2007)583; SEC(2007)589)

15. PROPOSAL FOR A COUNCIL REGULATION SETTING UP THE INNOVATIVE MEDICINES INITIATIVE JOINT UNDERTAKING
(COM(2007)241 TO /4; SEC(2007)568; SEC(2007)569; SEC(2007)588; SEC(2007)589)

Mr POTOČNIK introduced the proposals concerning the creation of two joint undertakings, "ARTEMIS" and "Innovative Medicines Initiative", which he was tabling with Ms REDING. He referred to the innovative nature of the two joint technological initiatives (JTI), particularly in terms of the method of financing research programmes in the framework of a public-private partnership. He also emphasised that the JTI were a key element of the Commission's innovation strategy and that their purpose was to facilitate and accelerate the commercial implementation of research findings and increase the involvement of industry in Community research.

Mr POTOČNIK explained the link between the JTI and the European technological platforms created to define the strategic research agendas in around 30 sectors or technologies. These platforms were supported by the 7th research framework programme through project financing but did not have legal status.

He reminded the meeting that six areas had been identified for development as JTI on the basis of their size and importance, and that this decision of principle had already been taken by the European Parliament and the Council. Apart from the two initiatives which were the subject of these proposals, these areas were the "Clean

Skies" and "Nanoelectronics" initiatives to be put before the Commission by summer 2007, an initiative concerning hydrogen and fuel cells, which would be put before it before the end of the year, and a sixth initiative, currently in the study phase, concerning global monitoring for the environment and security.

He said that the added value of each JTI was evaluated in depth in terms of its capacity to make available private financing and to address market failures, as well as with respect to the proposed method of governance and the results of the cost-benefit analysis. He pointed out that the basic principle of JTI was to pool research framework programme funds, and in some cases public funds of Member States, and private-sector funds.

Mr POTOČNIK then presented the Innovative Medicines Initiative (IMI), which would have a budget of €2 billion over seven years, €1 billion of which would be from the 7th research framework programme and €1 billion from the pharmaceutical industry. The main objective of the initiative was to support small and medium-sized enterprises and universities in developing new instruments and methods to make medicines safer and introduce them earlier to the market. He believed that this initiative would make an important contribution to improving conditions for pharmaceutical research in Europe and reversing the current trend for relocating in non-Member States.

Mr POTOČNIK pointed out that the aim of the initiative was to address the systemic weaknesses in European research, namely the fragmentation that existed between Member States, between different scientific disciplines and also between the different pharmaceutical companies and their respective research activities. IMI would concentrate resources on a single European programme in order to ensure better and cheaper access by pharmaceutical companies to the new technologies and earlier market introduction of technologies developed by SMEs and research institutions.

Mr POTOČNIK outlined some of the characteristics of the initiative: prior evaluation of the projects in question by experts, the mobilising effect of funds, the creation of a critical mass of research activities and the added flexibility with

respect to the procedures of the 7th research framework programme. He reminded the meeting that each joint technological initiative would be managed by a specific joint undertaking coming under Community law, whose operational costs would be financed by the public and private sectors.

Lastly, Mr POTOČNIK drew attention to the innovative and unprecedented nature of the joint undertakings, which had required the drawing up of specific budgetary and administrative provisions. He considered that the preparatory work, which had benefited from the excellent cooperation between Mr KALLAS and Ms GRYBAUSKAITĖ and their staff, had led to the right balance between the flexibility required for the joint undertakings and full compliance with the rules on proper management of Community funds.

He concluded by asking all the Commission Members and their staff to ensure the durable success of these JTI by continuing to support them during the subsequent implementation stages.

Ms REDING thanked Mr POTOČNIK, Mr KALLAS and Ms GRYBAUSKAITĖ for their cooperation in preparing these two proposals, particularly that concerning the ARTEMIS initiative. She pointed out that embedded computing systems were found everywhere: in automobiles, aircraft, satellites, medical equipment, mobile telephones, household equipment and televisions. They were crucial in making technologies safer, more efficient, effective and user-friendly. She also highlighted the growing importance of embedded systems not only as regards product value but in terms of innovation efforts in strategic sectors such as the automobile, aerospace and communications industries.

Ms REDING reminded the meeting that the EU was currently a leader in the world market for embedded systems and that annual investment in research in this sector amounted to between €15 and €20 billion. Nevertheless, she recognised that European leadership in this area was falling behind as other countries stepped up their research efforts. The speedy implementation of the ARTEMIS joint undertaking was therefore vital to maintaining and consolidating Europe's position

in this market, particularly in view of growing outside competition, the speed of innovation and the considerable value of this sector for the European economy.

She emphasised the strategic importance for the EU of embedded systems, highlighting the link between Europe's role as a driver of the research, development and production of these systems and the influence the EU could have on the future development of these technologies and in defining the rules to be applied to them.

Ms REDING went on to mention the significant multiplier effect of the Community's contribution to ARTEMIS and the role that this JTI would therefore play in keeping the development and industrial production of embedded systems in Europe, and in encouraging Member States to improve coordination and step up their financial support for research. Lastly, she noted that the administrative costs of the ARTEMIS joint undertaking would be kept to a minimum.

Following these presentations, the Commission held an in-depth exchange of views during which the following questions were raised in particular:

- the key role of the JTI and joint undertakings in developing research in strategic sectors for the EU;
- the pioneering nature of these first two JTI and, consequently, the importance of their success in order to establish a model for the implementation of other such initiatives;
- the important effect of the JTI in terms of innovation and mobilisation of resources for European research;
- the need to find a balance allowing the joint undertakings maximum flexibility and effectiveness while fully complying with Community financial regulations;
- the need to ensure good coordination in order to manage the innovative nature of the JTI as well as possible and address the legitimate concerns of the budgetary authority;

- the advisability of granting the JTI their own audit capabilities, and the need, if the legislative authority were to decide otherwise, to provide the corresponding human resources for the audit service within the Commission;
- as regards the innovative medicines initiative, the link between medical research and the legal frameworks for healthcare systems in the Member States, as well as the growing importance of the health sector for the European economy.

The PRESIDENT closed this exchange of views by reminding the meeting of the importance that the Commission attached to the knowledge-based economy. He considered that the present proposals would help to release the considerable potential for research in Europe, and the capacities for the development and marketing of high-technology products on the world market.

He highlighted the innovative nature of the JTI in the context of public-private partnerships and the positive effect of externalisation on the mobilisation of players and financial resources. The two proposals submitted today to the Commission concerned new technologies with high social and commercial potential which would nevertheless require initial public support in the start-up phase.

The PRESIDENT also spoke of the pioneering nature of the JTI and their impact on the Community budget, pointing out that adequate standards would be required to guarantee sound financial management. He believed that these proposals offered the right balance between flexibility and regulation.

Following this discussion, the Commission:

- took note of the joint document of Ms REDING and of Mr POTOČNIK distributed as SEC(2007)607/2 and /3;
- asked Ms REDING and Mr POTOČNIK, in agreement with the PRESIDENT, Mr KALLAS and Ms GRYBAUSKAITĖ, to finalise the joint document distributed as SEC(2007)607/2 and /3, with a view to transforming it into a Commission staff paper for transmission to Parliament, the Council, the Economic and Social Committee and the national parliaments;

- adopted in principle the two proposals for Council Regulations in COM(2007)243/4 and COM(2007)241/4;
- empowered Ms REDING and Mr POTOČNIK, each with responsibility for the initiative in their area of responsibility and in agreement with the PRESIDENT, to finalise and formally adopt these two proposals for regulations in the light of the result of the discussions held and to transmit them to Parliament, the Council, the Economic and Social Committee and the national parliaments together with the impact assessments and summaries contained in the staff papers distributed as SEC(2007)582, SEC(2007)583, SEC(2007)568 and SEC(2007)569;
- took note of the information note distributed as SEC(2007)588 and of the staff papers distributed as SEC(2007)582, SEC(2007)583, SEC(2007)568 and SEC(2007)569.

16. TRENDS IN THE MEMBER STATES

(SEC(2007) 613)

Ms WALLSTRÖM briefly reminded the Commission Members of the main events that had attracted the attention of the European press during the period from 21 March to 2 May. They were the Berlin declaration and developments on the question of the future treaty generated by the impetus given by Ms Angela MERKEL.

Referring to the results of the April Eurobarometer survey, she noted that the public's attention focused first and foremost on economic issues, and in particular on the current healthy state of the euro and of the economy in general in the countries of the euro area. Ms WALLSTRÖM pointed to the new tendency which this survey suggested was developing as regards employment and globalisation,

questions which now figured lower down among people's concerns. The single market was regarded by a great many of those questioned as having produced positive results. On the other hand, the benefits of the euro were not perceived in a whole series of Member States.

Ms WALLSTRÖM also mentioned the hearing on communication issues that had taken place on 8 May in Parliament's Committee on Budgets.

The Commission held a brief exchange of views on this issue, examining in particular the effectiveness of the Union's communication strategy on the major European topics.

The PRESIDENT welcomed the largely positive results of the April Eurobarometer, which reflected the improvement in the economic situation and confirmed that the Commission's policy was on the right track, giving priority both to the public's agenda and to the Lisbon agenda. He was opposed to any idea of economic protectionism in the age of globalisation and encouraged the Commission to continue to steer the same course, which would make it possible to reconcile economic drive and the social dimension. Lastly, he asked the Commission Members to continue this reflection at the seminar on 14 May.

The Commission took note of this information and of Ms WALLSTRÖM's note (SEC(2007)613).

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

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The meeting closed at 11.11 hours.