



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2008)1831 final

Brussels, 28 May 2008

MINUTES

of the 1831st meeting of the Commission

held in Strasbourg

(Winston Churchill)

on Tuesday 20 May 2008

(afternoon)

PV(2008)1831 final

TABLE OF CONTENTS

Attendance list	5-7
1. AGENDAS (OJ(2008)1831/3; SEC(2008)1890/2).....	8
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2008)1831)	8
3. MINUTES OF 1830TH MEETING (14 MAY) (PV(2008)1830)	8
4. INTERINSTITUTIONAL RELATIONS (SEC(2008)1889).....	9
4.1. LEGISLATIVE MATTERS.....	9
4.2. RELATIONS WITH THE COUNCIL.....	9
4.3. RELATIONS WITH PARLIAMENT.....	10
5. MONITORING THE APPLICATION OF COMMUNITY LAW	11
5.1. STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST (SEC(2008)1924; SEC(2008)1907)	11
5.2. STATE AID – HORIZONTAL DOSSIER (SEC(2008)1877 AND /2; SEC(2008)1907)	12
6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	12
6.1. WRITTEN PROCEDURES APPROVED (SEC(2008)1892 ET SEQ.).....	12
6.2. EMPOWERMENT (SEC(2008)1893 ET SEQ.)	12
6.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2008)1894 ET SEQ.)	13
6.4. SENSITIVE WRITTEN PROCEDURES (SEC(2008)1895 AND /2).....	13
7. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2008)1891/2)	13
7.1. DG ENERGY AND TRANSPORT – APPOINTMENT OF AD14/15 DIRECTOR (PERS(2008)60 TO /3)	13

7.2. DG EXTERNAL RELATIONS – APPOINTMENT OF AD14 CHIEF ADVISER (EU-12) (PERS(2008)113 TO /6)	14
8. DECISION BY THE COMMISSION PRESIDENT ON THE ORGANISATION OF RESPONSIBILITIES OF THE MEMBERS OF THE COMMISSION (C(2008)1994 AND /2; C(2008)1995; C(2008)1996)	14
9. COMMISSION REPORT TO PARLIAMENT AND THE COUNCIL ON THE FLAX AND HEMP SECTOR (COM(2008)307 AND /2; SEC(2008)1905; SEC(2008)1897)	15
10. RELATIONS WITH THIRD COUNTRIES	15
10.1. FIFTH SUMMIT BETWEEN THE EU AND THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN (LIMA, 16 AND 17 MAY) (SEC(2008)1929 AND /2)	15
10.2. VISIT TO EGYPT (CAIRO, 7-9 MAY) (SEC(2008)1930)	16
10.3. VISIT TO MYANMAR FOLLOWING THE DISASTER CAUSED BY CYCLONE NARGIS (RANGOON, 15-16 MAY) (SEC(2008)1932)	16
10.4. EU RESPONSE TO THE EFFECTS OF THE EARTHQUAKE IN THE CHINESE PROVINCE OF SICHUAN (SEC(2008)1928)	16
11. ANY OTHER BUSINESS	16
SEVENTEENTH ANNUAL MEETING OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (KIEV, 18 AND 19 MAY) (SEC(2008)1934)	16
12. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – TACKLING THE CHALLENGE OF RISING FOOD PRICES – DIRECTIONS FOR EU ACTION (COM(2008)321 A /3)	17

13. LEGISLATIVE PROPOSALS FOLLOWING THE COMMUNICATION FROM THE COMMISSION ON THE HEALTH CHECK OF THE COMMON AGRICULTURAL POLICY (COM(2008)306 TO /4; SEC(2008)1885 AND /2; SEC(2008)1886; SEC(2008)1917; SEC(2008)1897).....	20
14. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – BARCELONA PROCESS – UNION FOR THE MEDITERRANEAN (COM(2008)319 TO /5)	25

Single sitting: Tuesday 20 May 2008 (afternoon)

The sitting opened at 13.40 hours with Mr Barroso, President, in the chair.

Present

Mr BARROSO	President	
Ms WALLSTRÖM	Vice-President	Items 12 to 14
Mr VERHEUGEN	Vice-President	Items 1 to 14 (in part)
Mr BARROT	Vice-President	
Mr KALLAS	Vice-President	
Mr TAJANI	Vice-President	
Ms REDING		
Mr DIMAS		
Mr ALMUNIA		
Mr BORG		Items 12 (in part) to 14
Ms GRYBAUSKAITĖ		
Mr POTOČNIK		Items 1 to 13
Mr FIGEL'		Items 13 (in part) and 14
Mr REHN		
Mr MICHEL		
Mr KOVÁCS		
Ms KROES		
Ms FISCHER BOEL		Items 1 to 13
Ms FERRERO-WALDNER		
Mr McCREEVY		
Mr ŠPIDLA		
Mr PIEBALGS		
Ms KUNEVA		
Mr ORBAN		Items 1 to 13 (in part)
Ms VASSILIOU		

Absent

Ms HÜBNER

Mr MANDELSON

(20 May 2008)

The following sat in to represent absent Members of the Commission

Mr GREN	A member of Ms HÜBNER's staff
Mr HILL	A member of Mr MANDELSON's staff

The following also sat in

Mr VALE DE ALMEIDA	Chef de cabinet to the PRESIDENT	
Ms DURAND	Acting Director-General, Legal Service	
Mr SØRENSEN	Director-General, DG Communication	Items 1 to 13
Ms CANEVARI	DG Communication	Item 14
Mr LAITENBERGER	Commission Spokesman	
Mr GASPAR	Acting Director-General, Bureau of European Policy Advisers	
Mr THEBAULT	Deputy Chef de cabinet to the PRESIDENT	
Mr KOSSEY	A member of Mr FIGEL's staff	Items 1 to 13 (in part)
Mr BORCHARDT	Deputy Chef de cabinet to Ms FISCHER BOEL	Items 1 to 13
Mr KUEHNEL	A member of Ms FERRERO-WALDNER's staff	Item 14
Mr RICHTER	Deputy Chef de cabinet to Mr ORBAN	Items 13 (in part) and 14
Ms BAEZA	DG External Relations	Item 14

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

(20 May 2008)

The PRESIDENT warmly welcomed Mr Antonio TAJANI, the new Commission Member appointed to replace Mr FRATTINI.

He felt certain that Mr TAJANI would make an effective contribution to achieving the objectives of the present Commission and wished him every success in carrying out his new duties.

The President paid tribute to Mr FRATTINI, who had since been appointed Italian Foreign Minister, for his excellent contribution to the Commission's work since November 2004.

* * *

1. AGENDAS

(OJ(2008)1831/3; SEC(2008)1890/2)

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(2008)1831)

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

3. MINUTES OF 1830TH MEETING (14 MAY)

(PV(2008)1830)

The Commission approved the minutes of its 1830th meeting.

4. INTERINSTITUTIONAL RELATIONS (SEC(2008)1889)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 16 May (SEC(2008)1889).

It paid particular attention to the following:

4.1. *LEGISLATIVE MATTERS*

i) Codecision procedure

(point 1.2 of the IRG record)

Dossier at first reading – progress report

- Common regulatory framework for electronic communications networks and services (access, interconnection, authorisation) (Directive) / universal service and users' rights relating to electronic communications networks and services, processing of personal data and the protection of privacy and consumer protection cooperation (Directive) / establishment of the European Electronic Communications Markets Authority (Regulation) – TRAUTMANN / DEL CASTILLO / HARBOUR reports – 2007/0247 (COD) / 2007/0248 (COD) / 2007/0249 (COD)

The Commission took note of SP(2008)34/3.

4.2. *RELATIONS WITH THE COUNCIL*

ii) Programming of Council business

(SI(2008)1035)

The Commission took note of the information in SI(2008)1035 on the Council meetings between 15 and 28 May.

4.3. RELATIONS WITH PARLIAMENT

iii) Preparation for May II part-session of Parliament – Non-legislative matters

(point 3.1 of the IRG record)

- Progress made in equal opportunities and non-discrimination in the EU (transposition of Directives 2000/43/EC and 2000/78/EC) – LYNNE report – 2007/2202 (INI)

The Commission approved the line set out in SP(2008)2932 and /3.

iv) Preparation for the May II part-session of Parliament – Oral Questions

(point 3.4 of the IRG record)

H-0268/08, H-0269/08, H-0271/08, H-0273/08, H-0275/08, H-0277/08, H-0279/08, H-0280/08, H-0282/08, H-0284/08, H-0286/08 and H-0308/08 and H-0315/08, H-0289/08, H-0293/08, H-0295/08, H-0296/08, H-0297/08 and H-0304/08, H-0298/08, H-0299/08, H-0300/08, H-0301/08, H-0303/08, H-0305/08, H-0306/08, H-0310/08, H-0312/08, H-0314/08, H-0316/08, H-0317/08, H-0318/08, H-0319/08, H-0320/08, H-0323/08, H-0325/08, H-0327/08, H-0329/08, H-0332/08, H-0333/08, H-0334/08, H-0335/08, H-0337/08, H-0338/08, H-0339/08, H-0340/08

The Commission approved the draft answers in SP(2008)3012 to /6, following the agreement reached between the Chefs de cabinet on revisions of certain draft answers, set out in SP(2008)3012/7 *et seq.*

(20 May 2008)

v) Participation by Members of the European Parliament in international conferences

(point 3.8 of the IRG record)

- Fourth meeting of the parties to the Cartagena Protocol on Biosafety and ninth conference of the parties to the Convention on Biological Diversity (Bonn, 12-16 May and 19-30 May)

The Commission decided to approve the request from Mr PÖTTERING, President of Parliament, to the PRESIDENT, concerning the participation of three Members of Parliament at the above meeting.

- Fourteenth meeting of the conference of the parties to the UN framework convention on climate change and fourth meeting of the conference of the parties to the Kyoto protocol (Poznań, 1-12 December)

The Commission decided to approve the request from Mr PÖTTERING, President of Parliament, to the PRESIDENT, concerning the participation of fifteen Members of Parliament at the above meetings.

5. MONITORING THE APPLICATION OF COMMUNITY LAW

**5.1. STATE AID – INDIVIDUAL CASES – RECAPITULATIVE LIST
(SEC(2008)1924; SEC(2008)1907)**

The Commission adopted the decisions in the recapitulative list in SEC(2008)1924.

5.2. STATE AID – HORIZONTAL DOSSIER

(SEC(2008)1877 AND /2; SEC(2008)1907)

Commission notice on the application of Articles 87 and 88 of the EC Treaty to state aid in the form of guarantees

The Commission:

- adopted in principle the notice on the application of Articles 87 and 88 of the EC Treaty to aid in the form of guarantees, distributed as SEC(2008)1877/2;
- empowered Ms KROES, Commission Member responsible for competition, to adopt the notice formally in all the official languages of the Union and have it published in the Official Journal of the European Union.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2008)1892 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 16 May.

6.2. EMPOWERMENT

(SEC(2008)1893 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 13 and 16 May.

6.3. DELEGATION AND SUBDELEGATION OF POWERS**(SEC(2008)1894 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation procedure between 13 and 16 May, as archived in *e-Greffe*.

6.4. SENSITIVE WRITTEN PROCEDURES**(SEC(2008)1895 AND /2)**

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

7. ADMINISTRATIVE AND BUDGETARY MATTERS**(SEC(2008)1891/2)****ADMINISTRATIVE MATTERS****(PERS(2008)73/2)****7.1. DG ENERGY AND TRANSPORT – APPOINTMENT OF AD14/15 DIRECTOR****(PERS(2008)60 TO /3)**

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director (Nuclear Energy) in DG Energy and Transport (PERS(2008)60).

The Commission took note of the opinions of the Consultative Committee on Appointments of 25 March and 17 April (PERS(2008)60/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered the applicants' ability, efficiency and conduct in the

(20 May 2008)

service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr PIEBALGS, it then decided to appoint Mr Peter FAROSS to the vacant post.

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

7.2. *DG EXTERNAL RELATIONS – APPOINTMENT OF AD14 CHIEF ADVISER (EU-12)*
(PERS(2008)113 TO /6)

The Commission had before it applications under Article 29(2) of the Staff Regulations for the post of Chief Adviser in DG External Relations (PERS(2008)113/2, /3 and /6).

The Commission took note of the opinions of the Consultative Committee on Appointments of 16 January and 6 March (PERS(2008)113/4 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 Ms FERRERO-WALDNER, it then decided to appoint Mr Tomasz KOZLOWSKI to the vacant post in question.

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

8. *DECISION BY THE COMMISSION PRESIDENT ON THE ORGANISATION OF RESPONSIBILITIES OF THE MEMBERS OF THE COMMISSION*

(C(2008)1994 AND /2; C(2008)1995; C(2008)1996)

The Commission had before it communications from the PRESIDENT, distributed as C(2008)1994/2, C(2008)1995 and C(2008)1996, on the basis of which it:

- approved the proposal to appoint Mr TAJANI as Vice-President and took note of the order of precedence of Members of the Commission established by the PRESIDENT, as set out in C(2008)1996;
- took note of the changes to portfolios decided on by the PRESIDENT, as set out in C(2008)1994/2 and C(2008)1995;
- took note of the departments coming under the responsibility of the Commission Members concerned by the portfolio changes, the details of which were set out in the annex to C(2008)1994/2 and C(2008)1995.

9. COMMISSION REPORT TO PARLIAMENT AND THE COUNCIL ON THE FLAX AND HEMP SECTOR

(COM(2008)307 AND /2; SEC(2008)1905; SEC(2008)1897)

The Commission approved the report in COM(2008)307, 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 staff paper distributed as SEC(2008)1905, the contents of which were noted.

10. RELATIONS WITH THIRD COUNTRIES

10.1. FIFTH SUMMIT BETWEEN THE EU AND THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN (LIMA, 16 AND 17 MAY) ***(SEC(2008)1929 AND /2)***

The Commission took note of the information note from the PRESIDENT and Ms FERRERO-WALDNER, in agreement with Mr MICHEL and Mr MANDELSON, distributed as SEC(2008)1929/2.

(20 May 2008)

10.2. VISIT TO EGYPT (CAIRO, 7-9 MAY)

(SEC(2008)1930)

The Commission took note of the information note from Mr FIGEL' in SEC(2008)1930.

10.3. VISIT TO MYANMAR FOLLOWING THE DISASTER CAUSED BY CYCLONE NARGIS (RANGOON, 15-16 MAY)

(SEC(2008)1932)

The Commission took note of the information note from Mr MICHEL in SEC(2008)1932.

10.4. EU RESPONSE TO THE EFFECTS OF THE EARTHQUAKE IN THE CHINESE PROVINCE OF SICHUAN

(SEC(2008)1928)

The Commission took note of the information note from Ms FERRERO-WALDNER, Mr DIMAS and Mr MICHEL, distributed as SEC(2008)1928.

11. ANY OTHER BUSINESS

SEVENTEENTH ANNUAL MEETING OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (KIEV, 18 AND 19 MAY)

(SEC(2008)1934)

The Commission took note of the information note from Mr ALMUNIA in SEC(2008)1934.

12. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – TACKLING THE CHALLENGE OF RISING FOOD PRICES – DIRECTIONS FOR EU ACTION
(COM(2008)321 A /3)

The PRESIDENT presented the communication on tackling the challenge of rising food prices and referred to the recent debate held on this issue during a Commission working session. He pointed out that the rise in food prices was currently a major public concern and that its effects, coming at the same time as the increase in energy prices, were being suffered by all European consumers. He also highlighted the real risk of a humanitarian crisis among the most vulnerable populations worldwide.

The PRESIDENT said that the communication reflected the balance achieved during the Commission's discussion and that its purpose was to redefine the debate in the light of factual data, although he stressed that there was no single reason for these price rises and therefore no simple or obvious solution. There were three lines of action the European Union could pursue: measures aimed at mitigating the short- and medium-term impact of the price rises, initiatives to increase supply in the longer term, and international efforts to address the current crisis.

He went on to outline the main individual actions:

(i) careful and regular monitoring of the trend in food prices; (ii) the setting-up of a working party to examine the functioning of food supply, which would submit a first report by the end of 2008; (iii) the continuation and development of a food aid programme for the poorest populations; (iv) promotion of sustainable production of biofuels at international level on the basis of the criteria adopted by the European Union; (v) boosting research and the use of technological advances to enhance sustainable agricultural productivity, while maintaining an open but vigilant GMO policy; (vi) refocusing on agricultural policy in developing countries, including security for the most vulnerable and increased investment in rural development, food security and agriculture; and (vii) adjusting the common agricultural policy in

line with the measures proposed as part of the CAP "Health Check" (see item 13 of these minutes).

The PRESIDENT considered that this document was a good example of what the Commission could offer, namely a sound analysis, based on objective data, and a wide-ranging approach covering many different areas. He also believed that the communication illustrated the continuity and consistency of the Commission's policies. With regard to biofuels, the implications of this type of production for land use had been considered on the basis of sustainability criteria, which must be strictly observed in order to meet the energy targets set.

He said that this communication would serve as the basis for discussions between the Member States and that this issue would be raised in the various Council formations and be placed on the agenda of the June European Council by the acting Presidency. He noted also the growing interest taken in this issue by the European Parliament and the discussions scheduled as part of the world summit on food to be held by the Food and Agriculture Organization of the United Nations (FAO) in June 2008 and at the G8 meeting in Japan.

In conclusion, the PRESIDENT expressed his satisfaction that this communication set out clear guidelines and provided the Commission with an excellent opportunity for taking the initiative and helping to prepare the ground for the debate on this issue in the European Parliament and the Council.

There was a exchange of views, during which the following points were discussed in particular:

- the diversity of factors contributing to the rise in food prices, both in the short term and structurally, which included the increase in world demand, climate change, speculation, export restrictions and the development of biofuels;
- the contribution made by this communication to preparing the ground for subsequent stages, structuring the debate in the European institutions, and defining a common EU position at international level;

- recognition of the need to provide aid to the countries hit by the food price rise crisis;
- the usefulness of market rules to help to resolve the current crisis efficiently and, at the same time, the need to recognise the limits of market mechanisms;
- the extent to which the "health check" measures introduced as part of the reform of the common agricultural policy (CAP) contribute to resolving the issue of food price rises and the case for employing the funds not used under the CAP to finance aid for the third countries most hit by this crisis;
- with regard to aid to the countries most affected by the crisis, the importance of prioritising aid for seed and fertilisers in order to encourage producers to assume more responsibility and make agriculture more sustainable, and the case for developing agricultural micro-credit schemes;
- the importance of the issue of biofuels and their real impact on food prices, to be considered from an international perspective with the emphasis on European policies in this area, which prioritise the sustainability of biofuels (particularly second-generation biofuels) while maintaining the commitments made regarding renewable energy;
- recognition of the link between this communication and the "health check" of the CAP reform, and the need to put the CAP back in the context of world markets under the next financial perspective;
- the advisability of setting up a working party to monitor the food distribution chain;
- the political sensitivity of this issue and the importance of communicating it successfully in view of expectations, particularly as regards the fight against climate change;
- the importance of reaffirming the Commission's commitment to the "Everything but arms" initiative as a means of opening up European markets.

The PRESIDENT concluded this exchange of views by emphasising the seriousness of the issue of food price rises. He also reminded the meeting of the need to pursue the EU's objectives of combating climate change and developing renewable energies, particularly biofuels, and said that he was in favour of concluding an international agreement guaranteeing their sustainability. He backed the idea of supporting agriculture and small agricultural producers in developing countries through aid for seed and fertilisers. He also stressed the importance of the working party and of taking measures in the retail sales sector. Lastly, he called for the stepping-up of efforts to arrive at a common position with the Member States in advance of the European Council meeting and with a view to preparing for the FAO World Food Summit.

Following this exchange of views, the Commission approved the communication in COM(2008)321/3 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

**13. LEGISLATIVE PROPOSALS FOLLOWING THE COMMUNICATION
FROM THE COMMISSION ON THE HEALTH CHECK OF THE COMMON
AGRICULTURAL POLICY
(COM(2008)306 TO /4; SEC(2008)1885 AND /2; SEC(2008)1886;
SEC(2008)1917; SEC(2008)1897)**

The PRESIDENT introduced the package of legislative proposals on the "health check" of the common agricultural policy (CAP), which followed on from the CAP reform in 2003. He stressed that this health check was not a full reform of the CAP, but a mid-term review that had prompted a number of adjustments. The proposals also set out to respond to the current rise in food prices, in particular by reducing certain constraints on production.

He acknowledged the potential impact of any proposed changes on the various stakeholders and reminded those present of the Commission's responsibility to ensure a balance between continuity and reform. He considered that the proposals on the table offered a coherent vision of the future of the CAP and formed a major part of the EU's response to rising food prices. They would also help reduce the administrative burden, bring rural development policy closer to the initial proposals put forward by the Commission before the changes made in the negotiations on the financial perspective, and prepare the future without prejudging the outcome of the budgetary review or negotiations in the World Trade Organisation. Lastly he noted that they had been well prepared on the basis of broad consultations.

Ms FISCHER BOEL then presented the health check, which had begun two years earlier when agricultural prices were falling and combating climate change was not yet a top priority. The objective set at the time had been to continue the process of modernising the CAP that had begun with the 2003 reform and reform of the main common market organisations (sugar, fruit and vegetables and wine). She felt that what was now needed was to make the CAP more market-oriented, to simplify it – for example by abolishing certain obsolete measures – and to boost rural development in order to meet new challenges.

First she outlined the measures proposed to help simplify the CAP and render it more effective, i.e. the decoupling of agricultural aid, the abolition of mandatory set-aside, and the possibility for Member States to continue to apply the single area payment scheme until 2013. These measures would reduce the administrative burden on farmers and national authorities and make European farmers more competitive. As regards cross compliance, she proposed that it correspond to requirements linked directly to agricultural activities. Still on the subject of simplification, she also mentioned a number of technical amendments to the single payment scheme designed to facilitate its management. She was convinced that this package of practical simplification measures would yield substantial benefits for farmers and for the authorities.

Ms FISCHER BOEL then went through the measures designed to ensure that European agriculture was market-oriented and to boost its competitiveness. She placed the greatest emphasis on the decoupling of direct payments, i.e. removing the link between such payments and individual production decisions so that farmers were better placed to respond to market signals and had the means to adapt to a changing economic environment. She also outlined the conversion of the traditional market intervention mechanisms into a safety-net system designed to compensate for any major market upheavals, and the progressive annual increase in milk quotas up to their disappearance in March 2015 to allow a "soft landing" acceptable to all stakeholders.

She then drew attention to the measures to protect farmers in less-favoured regions and risk management measures, such as an insurance scheme against natural disasters and mutual funds in the event of animal diseases.

Lastly, she described the measures proposed to respond to the new challenges facing European agriculture, in particular climate change, bio-energy, the need for better water management and protection of biodiversity. She stressed that these measures would run alongside those identified by the Member States in their rural development programmes for 2007-2013 in order to ensure smoother implementation of the second pillar of the CAP. She then explained the modulation mechanism, whereby direct payments to farmers were reduced and the corresponding funds assigned to the rural development budget. This mechanism would be stepped up between now and 2012. All the funds released as a result would remain in the Member States in which they had been generated.

In conclusion Ms FISCHER BOEL stressed the contribution these proposals would make to resolving the crisis in food prices and demand for food, in particular the end of set-aside and milk quotas, greater decoupling of aid and abolition of the €45 premium per hectare for energy crops in order to ensure a fair balance between the production of food and biofuels.

She went on to outline the next steps in the interinstitutional procedure, the need for close cooperation with Parliament and the wish expressed by the forthcoming Council Presidency that the proposals be finally adopted by the end of 2008.

The Commission then held an in-depth exchange of views, during which the following points were raised:

- the relevance of proposing adjustment and modernisation measures without at this stage undertaking a radical overhaul of the CAP, and of working towards its simplification and hence better governance;
- the importance of bringing European agriculture more into line with the rules of the market and of making a positive contribution to resolving the food price crisis;
- the relevance of the proposals for increasing the ability of producers to adapt to market conditions and for ensuring reasonable food prices for consumers;
- the relevance of abolishing milk quotas, particularly in view of the rise in prices, but also certain questions on the detailed arrangements and timeframe for their abolition and the importance at this stage of not prejudging any later adjustments;
- the value of the specific measures proposed for sectors experiencing particular difficulties, such as producers of suckler cows, sheep and goats, and for certain less favoured regions, in particular mountainous areas;
- the soundness of the rural development objectives with regard to climate change, water management, protection of biodiversity and bio-energy and the importance of reducing the administrative burden involved in achieving those objectives;
- questions on the consistency of some of the proposals, in particular the maintenance of intervention mechanisms for certain cereals, the detailed risk management arrangements relating to crop insurance and animal and plant

diseases, and the minimum payment thresholds which might have an impact on certain sectors, in particular the wine sector in certain Member States;

- notwithstanding the relevance of the environmental aspects of the proposals as a whole, concern over the withdrawal of cross compliance in two areas, namely the Wild Birds and Habitats Directives;
- the importance – in the detailed arrangements for applying the modulation mechanism – of complying with the Treaty of Accession of the new Member States as regards the timetable for implementation, and of taking into account different types of farms in this context.

Ms FISCHER BOEL thanked the Commission for the welcome it had given to her proposals and for all the comments made. She stressed the balanced nature of the proposals on milk quotas and advised against prejudging at this stage the outcome of subsequent negotiations.

Regarding possible inconsistencies between the proposals being tabled and measures adopted under the reform of the wine sector, she was prepared, where necessary, to tackle this question in negotiations in the Council.

On the question of cross compliance, she pointed out that measures relating to agricultural activities and coming under the direct responsibility of farmers had been retained; moreover, cross compliance was being stepped up as a result of new requirements on water management and conservation of the natural heritage.

Given the outcome of the consultations that had been carried out, she was confident of the reaction in farming circles in certain Member States to the proposals on modulation and added that these measures were consistent with the rules of the Treaty of Accession of the new Member States.

On this last point, the Director-General of the Legal Service confirmed, at the PRESIDENT's request, that the measures in question were in line with the Accession Treaty, as modulation would be applicable to farmers in the new Member States only if their level of direct payments were at least equal to that of farmers in

the old Member States. This also ensured compliance with the principle of equal treatment specifically laid down in the Accession Treaty.

Winding up the debate, the PRESIDENT noted that there was very wide support for the proposals presented by Ms FISCHER BOEL. Nevertheless, he asked her to propose appropriate measures as part of the negotiations if any inconsistencies were to emerge later between the current "health check" and certain sectoral reforms adopted previously. He was convinced that the negotiations in the Council would produce a balanced outcome and expressed his full support for Ms FISCHER BOEL for her presentation of the proposals that day to Parliament's Committee on Agriculture and Rural Development.

Following the discussion, the Commission:

- adopted the three proposals for Council regulations and a proposal for a Council decision in COM(2008)306/4 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 impact assessment and its summary in the staff papers distributed as SEC(2008)1885/2 and SEC(2008)1886, the contents of which were noted;
- took note of the opinion of the Impact Assessment Board on the above legislative proposals, as set out in SEC(2008)1917.

14. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – BARCELONA PROCESS – UNION FOR THE MEDITERRANEAN (COM(2008)319 TO /5)

Ms FERRERO-WALDNER submitted the communication on the "Barcelona Process – Union for the Mediterranean" initiative to the Commission for approval.

The Communication had been drawn up in response to a request by the European Council, and the issue would be taken up in a summit meeting in Paris on 13 July.

She made it clear that the initiative was one element of the EU's multilateral relations with its Mediterranean partners and that it maintained the central role of the Barcelona Process. The proposal would complement the bilateral relations that would continue to develop as part of the European Neighbourhood Policy and pre-accession negotiations. In no way was the proposal intended to replace the accession or pre-accession negotiations currently underway.

The Communication built on the informal document discussed at the Commission meeting on 30 April and on the consultations held with the Member States and the Mediterranean partner countries. The added value of the initiative should be noted, as it offered both a signal of renewed political will for revitalising EU relations with interested Mediterranean countries and a framework for involving the private sector on behalf of regional projects.

Ms FERRERO-WALDNER explained that projects to be implemented would have to be sufficiently large, visible, relevant and non-discriminatory for the citizens of the countries concerned on both shores of the Mediterranean; they would have to be coherent and complement Commission action at regional and bilateral levels; they would have to be sufficiently appealing to encourage the creation of partnerships between the public and private sectors; and they would have to generate investment from the private sector. As examples of projects that met these criteria, she cited the Mediterranean solar plan, the motorways of the sea, civil protection, pollution control in the Mediterranean and environmental governance.

The fundamental aim of the initiative (strengthening and developing the Barcelona process) could be met by the following main measures: improving relations with partner countries by holding biennial summits, and giving partner countries greater ownership of projects by establishing a joint Presidency and Secretariat.

Regarding the related structures, Ms FERRERO-WALDNER said that the Secretariat's working and management arrangements would be determined at a later

stage, on the understanding that the role of the Euro-Mediterranean Parliamentary Assembly would be maintained and that the permanent joint committee of representatives from the relevant countries' diplomatic missions in Brussels would serve to strengthen and balance the new institutional governance.

The ensuing exchange of views highlighted the following points:

- an acknowledgement of the importance of the representation and guidance provided by the Euro-Mediterranean Parliamentary Assembly;
- the key role played by the joint Presidency in helping the partner countries take greater ownership of the initiative;
- the need to maintain consistency between this initiative and other Community policies and to avoid any negative impact on the amount and quality of European aid;
- the need for genuine political will in the partner countries in order to implement the projects and measures to be set up under the initiative;
- the importance of the private sector as a source of project financing;
- the need to take account of the specific nature of enlargement policy and the importance of properly coordinating the various geographical dimensions of the EU's Neighbourhood Policy;
- the importance of the transport sector in helping bring about Euro-Mediterranean integration and supporting the development of the Barcelona Process through specific measures in various transport sectors, air transport in particular;
- the importance of bringing intercultural dialogue, education and the knowledge-based society to the forefront, in order to encourage regional integration and increase the partners' interest in the Barcelona Process;

- the attention that must be paid to practical issues, such as organising the resources represented by remittances by immigrant workers and addressing the weakness of small and medium-sized enterprises in the countries concerned;
- the renewed political will and increased appeal of the Barcelona Process - thanks to this initiative - for countries bordering the Mediterranean.

The PRESIDENT thanked Ms FERRERO-WALDNER for ensuring that the proposed Communication successfully expressed the pragmatic approach that was at the centre of the informal document discussed by the Commission on 30 April. Particularly noteworthy were the proposals' ambitious nature and added value in efforts to organise Euro-Mediterranean relations in the light of the three priorities (1) developing the Barcelona process and EU relations with the Mediterranean partner countries, (2) striking a new balance in multilateral relations with the partner countries in the context of increased co-ownership and (3) creating specific, relevant projects for citizens of the region.

The projects to be carried out under the initiative were very important. They would need to promote regional cohesion and economic integration while remaining sufficiently tangible, visible and useful for the citizens of the Mediterranean region. He mentioned in this regard examples from the Communication, explaining that the list was for information only and that other elements could be added to it, for example as regards intercultural dialogue.

In conclusion, the PRESIDENT expressed his confidence that the Paris Summit on 13 July would be a success, thanks to the Commission's contribution. He also pointed out the need of keeping the European Union and its instruments at the heart of the initiative.

Following this exchange of views, the Commission approved the communication in COM(2008)319/5 for transmission to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, and to the national parliaments.

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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 15.56 hours.