



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2009)1891 final

Brussels, 28 October 2009

MINUTES

**of the 1891st meeting of the Commission
held in Strasbourg
(Winston Churchill building)
on Tuesday 20 October 2009
(afternoon)**

PV(2009)1891 final

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Single sitting: Tuesday 20 October 2009 (afternoon)

The sitting opened at 13.08 with Mr BARROSO, President, in the chair. Items 11, 12 and 13 were chaired by Ms WALLSTRÖM.

Present:

Mr BARROSO	President	Items 1 to 10
Ms WALLSTRÖM	Vice-President	
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	
Mr KALLAS	Vice-President	
Ms REDING		
Mr DIMAS		
Mr POTOČNIK		
Ms KROES		Items 8 (in part) to 13
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		
Mr McCREEVY		Items 1 to 8
Mr ŠPIDLA		
Ms KUNEVA		
Mr ORBAN		
Ms VASSILIOU		
Baroness ASHTON		
Mr ŠEMETA		
Mr SAMECKI		
Mr DE GUCHT		
Mr ŠEFČOVIČ		

Absent:

Mr TAJANI

Vice-President

Mr ALMUNIA

Mr BORG

Mr REHN

Mr KOVÁCS

Mr PIEBALGS

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

Mr COLSMAN	A member of Mr TAJANI's staff	
Mr FORNIES MARTÍNEZ	A member of Mr ALMUNIA's staff	Items 1 to 13 (in part)
Mr KOEHLER	Chef de cabinet to Mr BORG	
Mr KRINGS	A member of Mr REHN's staff	
Ms GAGO	Deputy Chef de cabinet to Mr KOVÁCS	
Ms BUISSON	A member of Mr PIEBALGS's staff	

The following also sat in:

Mr THEBAULT	Deputy Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr CARVOUNIS	Deputy Director-General, DG Communication	
Mr LAITENBERGER	Commission Spokesman	Items 1 to 10
Mr GASPAR	Acting Director-General, Bureau of European Policy Advisers	
Ms MARTÍNEZ ALBEROLA	A member of the PRESIDENT's staff	Items 1 to 10
Mr KLAUS	A member of the PRESIDENT's staff	Items 1 to 10
Ms PRADINES	A member of Mr BARROT's staff	Items 1 to 10
Mr POWER	Chef de cabinet to Mr McCREEVY	Items 1 to 8
Mr SEVERIS	A member of Ms VASSILIOU's staff	Item 11

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

1. AGENDAS

(OJ(2009)1891/3; SEC(2009)1361/2)

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(2009)1891)

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

3. APPROVAL OF THE MINUTES AND SPECIAL MINUTES OF THE 1889th AND 1890th MEETINGS OF THE COMMISSION (7 AND 14 OCTOBER)

PV(2009)1889; PV(2009)1889, Part II; PV(2009)1890; PV(2009)1890, Part II)

The Commission approved the minutes of its 1889th and 1890th meetings.

4. INTERINSTITUTIONAL RELATIONS

(SEC(2009)1383)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 16 October (SEC(2009)1383).

It paid particular attention to the following points.

4.1. RELATIONS WITH THE COUNCIL

i) Programming of Council business

(SI(2009)247)

The Commission took note of the information in SI(2009)247 on the Council meetings between 22 October and 4 November.

ii) Results of Council meeting (Employment, Social Policy, Health and Consumers – Health session) (Luxembourg, 12 October)

(SEC(2009)1429)

The Commission took note of the information note from Ms VASSILIOU in SEC(2009)1429 concerning the Council's conclusions on pandemic flu (H1NI).

iii) Preparations for the Council meeting (Agriculture and Fisheries) (Luxembourg, 19 and 20 October 2009)

(point 2.1 of the IRG record)

- Conclusion of the Fisheries Partnership Agreement between the European Community and the Republic of Guinea (Council Regulation) – 2009/0038 (CNS) – withdrawal of Commission proposal

The Commission approved the approach set out in SI(2009)246.

4.2. RELATIONS WITH PARLIAMENT

iv) Preparation of the October II part-session of Parliament – Oral questions

(point 3.4 of the IRG record)

H-0304/09, H-0306/09, H-0307/09, H-0308/09, H-0309/09, H-0311/09, H-0313/09, H-0314/09, H-0315/09, H-0317/09, H-0320/09, H-0321/09, H-0322/09, H-0323/09, H-0326/09, H-0327/09, H-0328/09, H-0329/09, H-0330/09, H-0332/09, H-0333/09, H-0334/09, H-0336/09, H-0338/09, H-0340/09, H-0342/09, H-0343/09, H-0344/09, H-0345/09, H-0347/09,

H-0348/09, H-0349/09, H-351/09, H-0353/09, H-0355/09, H-0356/09,
H-0360/09

The Commission approved the draft answers set out in SP(2009)4362 to /3, following the agreement reached between the Chefs de cabinet on revisions to some of these draft answers, and certain draft supplementary answers, revisions to answers and draft answers as set out in SP(2009) 4362/4 *et seq.*

4.3. RELATIONS WITH THE ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS, THE EUROPEAN OMBUDSMAN AND NATIONAL PARLIAMENTS

v) Follow-up to Committee of the Regions opinions – April and June plenary sessions

(point 4.1 of the IRG record)

The Commission approved the replies to the opinions adopted by the Committee of the Regions during the plenary sessions in April and June 2009, contained in the document distributed as SR(2009)25, for transmission to the Committee of the Regions.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

**5.1. WRITTEN PROCEDURES APPROVED
(SEC(2009)1363 ET SEQ.)**

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

5.2. EMPOWERMENT

(SEC(2009)1364 ET SEQ.)

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

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2009)1365 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 12 and 16 October, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2009)1366 AND /2)

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

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2009)1362/2)

ADMINISTRATIVE MATTERS

(PERS(2009)124/2)

**6.1. DG ENTERPRISE AND INDUSTRY – APPOINTMENT OF AD14/15
DIRECTOR**

(PERS(2009)98 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 (Regulatory Policy) in DG Enterprise and Industry (PERS(2009)98).

The Commission took note of the opinions of the Consultative Committee on Appointments of 23 July and 10 September (PERS(2009)98/2 and /3).

It proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr VERHEUGEN, it then decided to appoint Ms Liliana BRYKMAN to the vacant post.

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

6.2. *DG COMMUNICATION – APPOINTMENT OF AD14 DIRECTOR*

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Ms WALLSTRÖM, the Commission decided, under Article 7 of the Staff Regulations, to fill the post of Head of the Commission Representation in Budapest (DG Communication), by transferring in the interest of the service Mr Tamás SZÜCS, AD14 official and currently Director (Strategy) in DG Communication.

It also decided to upgrade to director level (AD 14/15) the post of Head of the Commission Representation in Budapest for the duration of Mr SZÜCS' posting.

These decisions would take effect on 1 January 2010.

6.3. *DG TRADE – APPOINTMENT OF AD14/15 DIRECTOR* *(PERS(2009)77 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 (Market Access and Industry) in DG Trade (PERS(2009)77).

The Commission took note of the opinions of the Consultative Committee on Appointments of 2 September and 1 October (PERS(2009)77/2 and /3).

It proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Baroness ASHTON, it then decided to appoint Mr Matthew BALDWIN to the vacant post.

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

**6.4. DG JUSTICE, FREEDOM AND SECURITY – APPOINTMENT OF
AD14/15 DIRECTOR
(PERS(2009)72 TO /4)**

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director (Justice) in DG Justice, Freedom and Security (PERS(2009)72).

The Commission took note of the opinions of the Consultative Committee on Appointments of 31 August and 17 and 24 September (PERS(2009)72/2 to /4).

It proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr BARROT, it then decided to appoint Ms Lotte KNUDSEN to the vacant post.

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

**6.5. DG JUSTICE, FREEDOM AND SECURITY – TERMINATION OF
INTERNAL AND INTERINSTITUTIONAL SELECTION PROCEDURE
FOR AN AD14/15 DIRECTOR AND APPOINTMENT OF AD14/15
DIRECTOR**

The Commission took note of the information in point 5 of PERS(2009)124/2 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr BARROT, decided:

(20 October 2009)

- to terminate internal and interinstitutional selection procedure COM/2009/1029 for the post of Director (Security) in DG Justice, Freedom and Security, without making an appointment; this decision would take effect immediately;
- to fill this post, under Article 7 of the Staff Regulations, by transferring in the interest of the service Mr Reinhard PRIEBE, an AD15 official and currently Director (Atlantic, Outermost Regions and Arctic) in DG Maritime Affairs and Fisheries; this decision would take effect on a date to be determined.

6.6. DG ENLARGEMENT – APPOINTMENT OF AD14 PRINCIPAL ADVISER (EU-12)
(PERS(2008)97 TO /6)

The Commission had before it applications under Article 29(2) of the Staff Regulations for the post of Principal Adviser in charge of strategic planning and analysis in DG Enlargement ((PERS(2008)97 to /3, and /5).

The Commission took note of the opinions of the Consultative Committee on Appointments of 25 March and 23 April (PERS(2008)97/4 and /6).

It proceeded to compare the applicants' qualifications for the post. On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr REHN, it then decided to appoint Mr Andris KESTERIS to the vacant post.

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

6.7. DG RESEARCH – TERMINATION OF INTERNAL, INTERINSTITUTIONAL AND EXTERNAL SELECTION PROCEDURES FOR AN AD14/15 PRINCIPAL ADVISER (EU-27)
(PERS(2009)93)

The Commission took note of the information in point 7 of PERS(2009)124/2 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT

and Mr POTOČNIK, decided to terminate internal and interinstitutional selection procedure COM/2009/1730 and external selection procedure COM/2009/10211 for the post of Principal Adviser in DG Research, without making an appointment.

These decisions would take effect immediately.

6.8. AMENDMENT OF ORGANISATION CHARTS – 2009 AUTUMN PACKAGE

(SEC(2009)1422; SEC(2009)1423; SEC(2009)1424; SEC(2009)1425)

The Commission took note of SEC(2009)1422.

6.9. DG PERSONNEL AND ADMINISTRATION – AMENDMENT OF ORGANISATION CHART

(SEC(2009)1422)

The Commission took note of the information in point 1 of SEC(2009) 1422 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, decided to change the name of the Directorate General from “Personnel and Administration” to “Human Resources and Security”.

This decision would take effect on 1 January 2010.

6.10. DG EDUCATION AND CULTURE – AMENDMENT OF ORGANISATION CHART

(SEC(2009)1422; SEC(2009)1423)

The Commission took note of the information in point 1 of SEC(2009)1422 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr ŠEFČOVIČ, decided:

- to increase the quota of structural adviser posts in one unit in order to create a new adviser post in the Resources Directorate;
- to adopt the new organisation chart set out in SEC(2009)1423.

This decision would take effect on 1 November 2009.

6.11. JOINT RESEARCH CENTRE – AMENDMENT OF ORGANISATION CHART

(SEC(2009)1422; SEC(2009)1424)

The Commission took note of the information in point 1 of SEC(2009)1422 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr POTOČNIK, decided:

- to increase the quota of structural adviser posts by two and the quota of non-structural advisers by one by the end of 2010 in order to create three new posts of advisers in charge of respectively external evaluations, nuclear security and safety, and the European research area and relations with DG Research;
- to reduce the quota of non-structural advisers by one by the end of 2010 at the latest, following the retirement of one of the current advisers;
- to close down Units JRC.A.6 (Work programme EURATOM), JRC.B.3 (Analytical accounting and finances), JRC.C.7 (Logistics and welcome), JRC.D.6 (Informatics and electronics) and JRC.D.7 (Institute development and programme management);
- to endorse other changes to the organisation chart at directorate, unit and sub-unit (sector) level;
- to adopt the new organisation chart set out in SEC(2009)1424.

These decisions would take effect on 1 January 2010.

6.12. DG RESEARCH – AMENDMENT OF ORGANISATION CHART

(SEC(2009)1422; SEC(2009)1425)

The Commission took note of the information in point 1 of SEC(2009)1422 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT

and Mr POTOČNIK, decided:

- to abolish the post of Principal Adviser in charge of preparing the RTD Strategic Alignment Programme;
- to create a post of Principal Adviser in charge of the European Research Council with the intention of asking for authorisation to publish internal, interinstitutional and external (EU-27) vacancy notices so that the successful candidate could be seconded to the post of Director of the European Research Council Executive Agency (ERCEA);
- to extend the mandate of Directorate RTD.S (Relations with the ERCEA) up to the end of February 2010;
- to defer the abolition of another senior management post until the summer of 2010;
- to close down Unit RTD.T.5 (Framework Programme Logistics);
- to close down the Information Technology Planning Office Task Force, established at unit level (RTD.A.TF1);
- to adapt temporarily the responsibilities of the Deputy Directors-General as follows: Mr Wolfgang BURTSCHER would take charge of Directorates A (Interinstitutional and Legal Matters – Framework Programme), R (Resources), S (Relations with the ERCEA) and T (Relations with the REA; Marie Curie, PME & NEST, policy and actions); Ms Anneli PAULI would take charge of Directorates B (European Research Area: Research Programmes and Capacity), C (European Research Area: Knowledge-Based Economy), D (International Cooperation) and L (Science, Economy and Society); and Mr Raffaele LIBERALI, acting Deputy Director-General, would take charge of Directorates E (Biotechnologies, Agriculture, Food), F (Health), G (Industrial Technologies), I (Environment), J (Energy (Euratom)), K (Energy) and H (Transport), it being understood that this breakdown of

tasks would be reviewed after the appointment of the third Deputy Director-General;

- to endorse other changes to the organisation chart at unit and sub-unit (sector) level;
- to adopt the new organisation chart set out in SEC(2009)1425.

This decision would take effect on 16 November.

6.13. DG RESEARCH – INTERNAL AND INTERINSTITUTIONAL (GRADE AD14/15) AND EXTERNAL (GRADE AD14 – EU-27) PUBLICATION OF A VACANCY NOTICE FOR A PRINCIPAL ADVISER (PERS(2009)125)

On a proposal from Mr KALLAS, in agreement with the PRESIDENT and Mr POTOČNIK, the Commission decided to authorise the publication, under Article 29(1)(a)(i) and (iii), 29(1)(b) and 29(2) of the Staff Regulations, of the vacancy notices in PERS(2009)125 for a post of Principal Adviser seconded to the European Research Council Executive Agency.

These decisions would take effect immediately.

6.14. RECRUITMENT TO THE COMMISSION OF NATIONALS OF THE NEW MEMBER STATES (EU-10 AND EU-2) AS OFFICIALS AND TEMPORARY STAFF – SITUATION AT 1 SEPTEMBER 2009 AND NEXT STEPS (SEC(2009)1402 TO /3; SEC(2009)1415)

The Commission approved the memorandum from Mr KALLAS, in agreement with the PRESIDENT, in SEC(2009)1402/2 and /3.

This decision would take effect immediately.

7. **COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS, THE COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES AND THE EUROPEAN CENTRAL BANK – AN EU FRAMEWORK FOR CROSS-BORDER CRISIS MANAGEMENT IN THE BANKING SECTOR**
(COM(2009)561 TO /4; SEC(2009)1407; SEC(2009)1389; SEC(2009)1390; SEC(2009)1391; SEC(2009)1394)

8. **COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS AND THE EUROPEAN CENTRAL BANK – ENSURING EFFICIENT, SAFE AND SOUND DERIVATIVES MARKETS: FUTURE POLICY ACTIONS**
(COM(2009)563 TO /4; SEC(2009)1394)

The PRESIDENT thanked Mr McCREEVY and his departments for the two high-quality communications submitted to the Commission for approval. These two initiatives were intended as a follow-up to the Commission proposals on financial regulation and supervision.

Turning to the communication on derivatives, the PRESIDENT recalled the need for substantial progress on risk management and market transparency, particularly in view of the role played by derivatives in the financial crisis.

This was linked to other Commission initiatives in this area, for instance the communication approved the previous July. The public consultation following this communication had indicated that there was a broad consensus in favour of the approach proposed by the Commission. The PRESIDENT referred to the guidelines issued by the G20 at the Pittsburgh summit, adding that the European Union was honouring the commitments it had made. He urged its international partners to do likewise.

The PRESIDENT expressed full support for the communication, which he regarded

as balanced. The Commission's follow-up to this initiative, consisting in particular of legislative proposals, would be based on an in-depth impact study and would involve close cooperation with the United States and the EU's other international partners. Lastly, he pointed to several more specific aspects of the communication which would have to be tackled in future legislation.

Mr McCREEVY then took the floor to describe the work carried out on these issues in recent months, the starting point of which had been damage-limitation as regards the risks to market stability posed by credit default swaps, and the establishment of the principle of central clearing to reduce these risks. The communication on derivatives contained measures considered necessary to safeguard market stability by strengthening the supervision and regulation of derivatives markets.

The communication took account of the special features of the various products, including commodities, and of non-financial institutions. An important aspect was the innovative nature of the measures introduced to cover markets featuring over-the-counter (OTC) transactions. The Commission intended to introduce rules at Community level making the principle of central clearing compulsory in order to guarantee the safety, soundness and governance of derivatives.

The objective of increasing the percentage of standardised products was intended to facilitate the trading of derivatives on electronic trading platforms. This could, admittedly, lead to an increase in costs for some players, but the price of a product must reflect the risk attached to that product, and these risks must not be transferred to taxpayers. The proposals were also intended to ensure that non-financial institutions using derivatives were not unjustifiably penalised.

The proposed measures would also help reinforce transparency before and after trading of derivatives. The Commission must give priority to transparency and trade repositories, together with the introduction of a regulatory framework which would cover authorisation/registration procedures and access.

The G20 had recognised the need for a coordinated international initiative in these areas. When drawing up future proposals, the Commission would take account of

the implementation of the G20 conclusions by the United States and the other international partners. Mr McCREEVY expressed support for the coordinating role taken on by the Financial Stability Board.

The following points in particular were raised in the ensuing brief exchange of views:

- support for the balanced, ambitious thrust of the initiative and, generally speaking, the strengthening of financial regulation and supervision and the development of instruments to prevent future crises;
- reminder of the position of the European Council on central counter-party clearing houses (CCPs);
- the positive effect which tighter supervision of derivatives would have on protecting consumers and taxpayers;
- the open nature of the communication, which did not affect the details to be included in future legislative proposals;
- when drawing up future legislative proposals, the question of the financial liability of all players, including Member States and Community institutions;
- the need to take account of market diversification and of the large number of derivatives, and to prevent relocation of trade outside the European Union;
- the importance of strengthening international financial supervision.

Mr McCREEVY thanked the Commission members and departments for their cooperation in preparing these two communications. He underlined the importance of both initiatives not only for the European market but also in the context of the G20, pointing to the European Union's pioneering role in this area.

The PRESIDENT concluded the exchange of views on the communication on the derivatives market by saying that the Commission supported the communication and agreed to make the following amendments to the English version of document

COM(2009)563/4:

- Section 3.1. "Central clearing: safety and soundness", point (4) on page 5:

*"**Authorisation** granted, under this proposal will allow CCPs to provide their services in all Member States. In order to avoid double scrutiny and to foster mutual trust between authorities, the Commission believes the European Securities and Markets Authority (ESMA) should give CCPs authorisation to operate in the EU. With a view to ensure adequate on-going supervision at European level, the Commission will seek an appropriate allocation of responsibilities between ESMA and national supervisory authorities. This may include the possibility to grant ESMA direct supervisory powers in view of the specific nature and in particular the pan-European reach of CCPs. Alternatively, recognising the potential or contingent liabilities that may be involved, it might be appropriate for on-going supervision to be entrusted within ESMA to a college of supervisors from the Member States most directly affected."*

- Section 3.2. "Collateralisation in bilateral clearing", the last paragraph on page 6:

"Except in the event of default, exchanging collateral does not impact on the net income of an entity. Non-financial corporate users of derivatives, however, may not want to provide cash collateral for variation margin, as it might constrain their liquidity. This would expose their financial counterparty to credit risk, which it will have to manage with its client. Variation-margin requirements, if needed for non financial firms, should be tailored in such a way that they do not undermine the corporate sector's ability to use derivatives for transferring risk, especially in the case of companies whose use of derivatives is below a given threshold. On the other hand, awarding special treatment for non-financial firms could create loopholes which would enable financial firms to engage in regulatory arbitrage. Any possible exemptions should be designed in such a way that eliminates any potential for abuse."

Subject to the inclusion of the above-mentioned amendments, the Commission approved the communication set out in document COM(2009)563/4 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Central Bank, and to the national parliaments.

The Commission also approved the communication on cross-border crisis management in the banking sector set out in document COM(2009)561/4 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, the Court of Justice of the European Communities and the European Central Bank, and to the national parliaments, accompanied by the impact assessment and the summary thereof in staff papers SEC(2009)1407, SEC(2009)1389, and SEC(2009)1390 respectively, the contents of which were noted.

It also took note of the opinion of the Impact Assessment Board on this dossier, as set out in document SEC(2009)1391.

9. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON MINIMUM STANDARDS FOR THE QUALIFICATION AND STATUS OF THIRD COUNTRY NATIONALS OR STATELESS PERSONS AS BENEFICIARIES OF INTERNATIONAL PROTECTION AND THE CONTENT OF THE PROTECTION GRANTED (RECAST)

(COM(2009)551 TO /3; SEC(2009)1373; SEC(2009)1374; SEC(2009)1375; SEC(2009)1395/2)

10. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON MINIMUM STANDARDS ON PROCEDURES IN MEMBER STATES FOR GRANTING AND WITHDRAWING INTERNATIONAL PROTECTION (RECAST)

(COM(2009)554 TO /4; SEC(2009)1376; SEC(2009)1377; SEC(2009)1375; SEC(2009)1395/2)

Mr BARROT presented the two proposals for directives he was tabling.

These proposals revised two directives on asylum, the "Qualification" Directive laying down the rules on the recognition and content of the two protection statuses, namely refugee status and subsidiary protection, and the "Procedure" Directive laying down the procedures for handling asylum applications for these two statuses.

Mr BARROT touched on several aspects of the background to these two directives, in the first place the decision taken at the Tampere European Council in October 1999 by the Heads of State or Government to establish a common European asylum system based on a common procedure and uniform status. In a Europe without internal borders it was necessary to move towards harmonisation of conditions for asylum seekers and refugees in all the Member States to ensure that some Member States did not appear to be more attractive destinations than others.

On the basis of the Amsterdam Treaty, the Council had adopted a first generation of legal instruments: four directives on temporary protection in the event of a massive influx of asylum-seekers, reception conditions, qualification and asylum procedures, and two regulations, the "Dublin" and "Eurodac" Regulations.

In 2004, in the Hague programme, the European Council had noted a lack of convergence and significant disparities between Member States concerning the level of protection and the conditions for examining applications. For these reasons, the Council wished to take the process further and concluded that a second generation of instruments was needed. It therefore asked the Commission to assess the instruments of the first phase and to submit proposals for moving on to this second phase in order to complete the establishment of the common European asylum system by 2010.

He reminded the meeting that in June 2008 the present Commission had adopted an asylum action plan containing the proposals and actions to be undertaken to achieve that goal. This action plan had been fully endorsed by the European Council in October 2008 as part of the European Pact on Immigration and Asylum, and the Council had once again called for the establishment of a common European asylum

system and had asked the Commission to submit proposals for the introduction, by 2010 or 2012 at the latest, of a single asylum procedure and uniform statuses, based on common guarantees and a high level of protection.

To this end the Commission had undertaken an assessment of the current system, drawing on all the information that could be used to evaluate implementation of the instruments of the first phase and ascertain whether there were any shortcomings in the operation of these instruments. On the basis of this assessment, the Commission had launched the process of preparing the instruments of the second phase, and at the end of 2008 and beginning of 2009 had submitted an initial set of measures and proposed the revision of the "Dublin" and "Eurodac" Regulations and of the Directive on reception conditions for asylum seekers, as well as the setting up of a European Support Office.

Mr BARROT said that the proposals to recast the "Qualification" and "Procedure" Directives, following on the first set of initiatives, were key elements of the asylum system and responded to the European Council's request. The aim of the two proposals submitted today was to clarify the concepts, to simplify, rationalise and harmonise the criteria used and the procedure followed, and to improve coherence among the various asylum instruments. The proposals should encourage the Member States to improve the quality of examination of asylum applications, in particular at first instance, in order to increase efficiency and minimise appeals, and prevent abuse.

He pointed out that these were highly ambitious proposals, citing by way of example that they envisaged free legal assistance at first instance, guarantees of the proper conduct of individual interviews and better protection for the most vulnerable, particularly women and children.

The adoption of these two proposals by the Commission should make it possible to comply with the timescale set by the European Council and also to submit all the asylum policy instruments to the Council and Parliament, thus offering a global vision of this policy and of the Community legal framework.

He felt that the two proposals would improve and speed up the handling of applications. This was the most effective way of combating abuses and illegal immigration resulting from the activities of people smugglers, without generating more applications, since traffickers benefited from the diverse and unclear procedures currently in force in the different Member States. He also felt sure that these proposals would enable greater cooperation among Member States.

To conclude, Mr BARROT said that the proposals should be adopted without waiting for the entry into force of the Lisbon Treaty. The change in legal basis that would be introduced by the Treaty would not modify the procedure for adopting these proposals (the co-decision procedure with the full involvement of Parliament and the Council).

The Commission then held an exchange of views, covering the following points:

- satisfaction with these ambitious proposals, which benefited everyone and came at the right time in view of the political and inter-institutional context, and could be adopted without waiting for the Lisbon Treaty to come into force;
- the question as to whether the proposals should be adopted now given that it was rather too soon to assess the implementation of the previous measures in this area, and that the entry into force of the Lisbon Treaty would enable more ambitious measures to be proposed;
- the importance of the new guarantees for the most vulnerable and increased access by asylum seekers to national protection systems, in particular with regard to health;
- the need to encourage greater cooperation between Member States;
- a question about maintaining the possibility of accelerated handling of applications by Member States which so desired or which had already implemented such procedures;
- the definition of certain terms, for example the concept of family;

- questions concerning the amendments made to the initial text of the "Procedure" Directive, namely "*European safe third countries*" (former Article 36, which was removed in the text submitted to the Commission), particularly with regard to the constitutional law of certain Member States.

Mr BARROT replied to these questions by reminding the meeting that this was a recasting of existing texts, that the definitions were in part those in the texts adopted by the Commission at the time of the first asylum package, for example the definition of family members, and that the purpose of the amendments was to clarify the concepts and provide clearer guidelines for the procedure. The accelerated procedures were maintained, with Member States having the possibility of adopting such procedures if necessary, provided that certain minimum guarantees were respected when handling applications. He was willing to replace the former Article 36 concerning European safe third countries in COM(2009)554/4, while reminding the meeting that it was no longer used by the Member States' and Court of Justice case law.

The PRESIDENT thanked Mr BARROT for the quality of the work carried out. He stressed that it was important for this Commission to adopt the proposals submitted, particularly given the requests and expectations of the Council and the European Parliament. To conclude, he said that the Commission broadly supported the two proposals and agreed that in the proposal in COM(2009)554/4, the former Article 36 concerning European safe third countries should be replaced and its provisions adjusted as needed.

On a proposal from the PRESIDENT, and subject to the amendment referred to above, the Commission agreed that the proposals for directives in COM(2009)551/3 and COM(2009)554/4 would be adopted by "finalisation" written procedure, the time limit for which had been set at Wednesday 21 October 2009 (PE/2009/7762 and PE/2009/7763).

11. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS - SOLIDARITY IN HEALTH: REDUCING HEALTH INEQUALITIES IN THE EU
(COM(2009)567 TO /4; SEC(2009)1396; SEC(2009)1397; SEC(2009)1398; SEC(2009)1400)

Ms VASSILIOU presented the communication that she was tabling for approval with Mr ŠPIDLA. She explained that the initiative's main objective was to promote practical action as part of the efforts to reduce health inequalities in the European Union. She stressed that health equality was a key factor not just for economic and social cohesion but also for solidarity between the Member States and equal opportunities for European citizens.

Ms VASSILIOU noted that there were considerable differences in health in Europe. By way of example, she cited the gap in average life expectancy between Member States in 2007, which was as high as 8 years for women and 14 years for men, and major differences between social groups; life expectancy was considerably lower and many health problems occurred more frequently or were more widespread among people with lower education, income or occupational class.

She also pointed out the indirect effects on health of the economic crisis, in particular because of the fall in purchasing power of people affected by unemployment and also the uncertainties and psychological problems that might follow the loss of a job. Although most health inequalities could probably be avoided or reduced, a fairly long time horizon was necessary to implement measures with a positive impact and to obtain more information on the effectiveness of the planned measures, which required coordinated monitoring at Community level and detailed research.

In order to make more effective use of the mechanisms and tools available to the EU and the Member States, it was necessary to develop a coherent method for providing support to the Member States in monitoring their health situation in order to

exchange good practices, identify possible improvements and set priorities in the different fields of action.

She was convinced that the initiative would make a major contribution to promoting health and well-being and, more generally, to citizens' Europe, based above all on the values of justice and solidarity.

Mr ŠPIDLA completed the presentation by stressing the importance of ethical values in the EU. He underlined the initiative's contribution to a fair healthcare system and its direct link to the concepts of solidarity and social cohesion.

He also highlighted the need to combat discrimination, in particular against minorities and the most disadvantaged groups in health terms, and drew attention to the vital dimension of health and safety at work. He then put the initiative in the broader context of the objectives of 2010, which had been designated European Year for Combating Poverty and Social Exclusion.

Ms WALLSTRÖM thanked Ms VASSILIOU, Mr ŠPIDLA and the departments that that contributed to the preparatory work on this important issue.

Following the presentation, the Commission approved the communication in COM(2009)567/4 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, and to the national parliaments, accompanied by the impact assessment and its summary in staff papers distributed as SEC(2009)1396 and SEC(2009)1397, the contents of which were noted.

It also took note of the opinion of the Impact Assessment Board on the above communication, as set out in SEC(2009)1398.

12. OTHER BUSINESS

12.1. BUDGET IMPLEMENTATION AT 30 SEPTEMBER 2009 (SEC(2009)1408 AND /2; SEC(2009)1410)

Mr ŠEMETA updated the Commission on implementation of the 2009 budget. At the end of September, the implementation rate of commitment appropriations was 95% and that of payment appropriations 75%, which was higher than for the same period in 2008 for commitments and slightly lower for payments.

The situation was satisfactory overall but it was nonetheless important to continue to monitor budget implementation closely until the end of the year. Important adjustments, in particular cuts, had been made to the 2009 budget and the Commission had requested a number of increases.

He stressed the link between implementation of the 2009 budget and the negotiations with the two arms of the budgetary authority on the 2010 budget and called on the Members of the Commission and departments to ensure the fullest possible implementation of commitments and payments by the end of the year.

Ms WALLSTRÖM thanked Mr ŠEMETA for the information and the work done. She invited the Members of the Commission to pay particular attention to these important questions over the next two months.

The Commission took note of this information and of Mr ŠEMETA's briefing note, distributed as SEC(2009)1408/2.

12.2. LAUNCH OF THE EU'S DIGITAL LIBRARY

MR ORBAN informed the Commission that on 16 October, at the Frankfurt Book Fair, he had officially launched the EU's on-line digital library, which was to make available in electronic format and free of charge all publications edited by the Publications Office on behalf of the Community institutions, agencies and other bodies since 1952.

The digital library concerned more than 370 authors from EU institutions and more than 50 languages, including all EU official languages but also Russian and Chinese, for example. New titles were added every day and there were

some 1 600 new entries every year.

He highlighted the efforts made and the undeniable success in processing four kilometres of shelves in two years and the digitisation of fourteen million pages of publications that were now available to everyone free of charge.

He concluded his presentation by stressing that the digital library demonstrated the EU's commitment to preserving its history in all its diversity, including linguistic diversity. The opening of the archives in this way was a decisive step towards greater transparency that would benefit EU citizens and people further afield.

Lastly, Mr ORBAN mentioned the possibility of reprinting historic documents and, as an example, circulated a printed version of the two speeches given in August and September 1952 in Luxembourg by Jean Monnet, the then President of the High Authority.

During a brief exchange of views, the Commission congratulated Mr ORBAN and his departments on this important initiative and also referred to the Europeana website, launched in 2008 and financed by the Commission, which was a one-stop portal giving access to Europe's entire cultural and scientific heritage. Reference was also made to the Commission's strategy on copyright and the possibility of more effective location of rights holders for certain works with a view to protecting European cultural diversity and heritage.

The Commission took note of this information.

13. RELATIONS WITH NON-MEMBER COUNTRIES

13.1. PREPARATION OF THE FOURTH MEETING OF THE TRANSATLANTIC ECONOMIC COUNCIL (WASHINGTON, 26 AND 27 OCTOBER)

Mr VERHEUGEN reported to the Commission on preparations for the next

meeting of the Transatlantic Economic Council, the plenary session of which would be held on 27 October in Washington. This would be the first TEC meeting since December 2008 and the Commission's first opportunity in this forum to meet representatives of the new US Administration. Six Members of the Commission would attend the meeting.

Mr VERHEUGEN said that major issues would be discussed at the meeting and agreement would have to be reached with the United States on the desired level of ambition for the years ahead and on future priorities for transatlantic cooperation. He felt that the most promising area was "upstream cooperation", which involved discussing approaches to various policies at an early stage in order to avoid significant differences in the legislation adopted subsequently. He argued that such cooperation was more vital than ever, citing the example of the response to the financial crisis, where the implementation of consistent and coordinated measures was crucial. Consideration would be given to the possibility of increasing this form of cooperation in relation to nanomaterials and health-related information.

Mr VERHEUGEN also noted that, at the United States' initiative, closer cooperation would be established in the field of innovation, as the two partners recognised that developing the potential for innovation in their industries and workforce was a crucial factor for creating jobs and generating growth in order to exit the crisis successfully.

The United States also wanted closer transatlantic cooperation on information and communication technologies, trade and energy.

Mr VERHEUGEN said that the Commission would certainly take the opportunity to raise important issues such as the security of trade and possible distortions of competition in the United States as a result of state aid and public procurement policy.

The Transatlantic Economic Council would also discuss legislative and regulatory matters; as the United States was in the process of reviewing its

approach to these issues, this would be an excellent opportunity for the European Union to share its experience. At the forum on legislative cooperation to be held on the eve of the meeting (on 26 October), European and US experts would discuss methodology, in particular cost-benefit analyses and impact assessments, the application of international standards and the reasons for the failure to implement mutual recognition agreements.

Finally, over a working lunch, there would be a policy discussion on the lessons to be learned from the economic and financial crisis and a debate on the future of the Transatlantic Economic Council.

Mr VERHEUGEN concluded by pointing out that the usual procedures for consultation both before and after the Transatlantic Economic Council would be maintained. He also stressed that for the first time the specific nature of the dialogue in the legislative and regulatory fields had been recognised.

A brief discussion ensued, during which the importance of the Transatlantic Economic Council was underlined, as was the need for it to strike a balance between pursuing an ambitious political agenda and resolving specific questions.

Ms WALLSTRÖM thanked Mr VERHEUGEN and hoped that the Transatlantic Economic Council would be a great success. She noted that experience had shown how important it was to have good advance preparation and coordination within the Commission.

The Commission took note of this information.

13.2. 12TH MINISTERIAL SESSION OF THE BARENTS EURO-ARCTIC COUNCIL (MURMANSK, 15 OCTOBER)
(SEC(2009)1430)

The Commission took note of the information note from Mr KALLAS in SEC(2009)1430.

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The meeting closed at 15.00.