



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

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MINUTES
of the 1904th meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 3 February 2010
(morning)

PV(2010)1904 final

TABLE OF CONTENTS

Attendance list	5-6
1. AGENDA (OJ(2010)1904/3)	7
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2010)1904)	7
3. MINUTES OF 1903RD MEETING (27 JANUARY) (PV(2010)1903).....	7
4. INTERINSTITUTIONAL RELATIONS (SEC(2010)82).....	7
4.1. LEGISLATIVE MATTERS	7
4.2. RELATIONS WITH THE COUNCIL	9
4.3. RELATIONS WITH PARLIAMENT	10
4.4. OTHER MATTERS	11
5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	11
5.1. WRITTEN PROCEDURES APPROVED (SEC(2010)78 ET SEQ.).....	11
5.2. EMPOWERMENT (SEC(2010)79 ET SEQ.)	11
5.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2010)80 ET SEQ.).....	11
5.4. SENSITIVE WRITTEN PROCEDURES (SEC(2010)81)	11
6. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2010)77/2).....	12
6.1. DG HUMAN RESOURCES AND SECURITY / SECRETARIAT-GENERAL – AMENDMENT OF DECISION C(2004)1597/5 ON A NEW POLICY FOR THE ENGAGEMENT AND USE OF TEMPORARY AGENTS (C(2010)714)	12
6.2. DG HUMAN RESOURCES AND SECURITY – CHANGE IN THE EFFECTIVE DATE OF A DECISION TRANSFERRING A SENIOR MANAGEMENT OFFICIAL.....	12
6.3. DG HUMAN RESOURCES AND SECURITY / SECRETARIAT-GENERAL – RULES GOVERNING THE COMPOSITION OF MEMBERS’ PRIVATE OFFICES AND THEIR SPOKESPERSONS (SEC(2010)104/2).....	13

7. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL -
ASSESSMENT OF THE ACTION TAKEN BY POLAND IN
RESPONSE TO THE COUNCIL RECOMMENDATION WITH A VIEW
TO BRINGING AN END TO THE SITUATION OF EXCESSIVE
GOVERNMENT DEFICIT (COM(2010)24 TO /3 ; SEC(2010)92).....13
8. MONITORING THE APPLICATION OF EUROPEAN UNION LAW 14
INFRINGEMENTS: URGENT CASE (SEC(2010)101 AND /2)..... 14
9. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION
ON THE UPDATED STABILITY PROGRAMME OF GREECE, 2010-
2013 (SEC(2010)94 TO /3; SEC(2010)96; SEC(2010)92).....14
10. COMMISSION RECOMMENDATION FOR A COUNCIL
RECOMMENDATION WITH A VIEW TO ENDING THE
INCONSISTENCY WITH THE BROAD GUIDELINES OF THE
ECONOMIC POLICIES IN GREECE AND REMOVING THE RISK OF
JEOPARDISING THE PROPER FUNCTIONING OF ECONOMIC AND
MONETARY UNION (SEC(2010)95 TO /3; SEC(2010)96;
SEC(2010)92)

PROPOSAL FOR A COUNCIL DECISION MAKING PUBLIC THE
RECOMMENDATION WITH A VIEW TO ENDING THE
INCONSISTENCY WITH THE BROAD GUIDELINES OF THE
ECONOMIC POLICIES IN GREECE AND REMOVING THE RISK OF
JEOPARDISING THE PROPER FUNCTIONING OF ECONOMIC AND
MONETARY UNION (COM(2010)26 TO /3; SEC(2010)96;
SEC(2010)92).....14
11. COMMISSION RECOMMENDATION FOR A COUNCIL DECISION
GIVING NOTICE TO GREECE TO TAKE MEASURES FOR THE
DEFICIT REDUCTION JUDGED NECESSARY IN ORDER TO
REMEDY THE SITUATION OF EXCESSIVE DEFICIT (SEC(2010)93

A /3; SEC(2010)96; SEC(2010)92)	14
12. OTHER BUSINESS.....	22
12.1. APPOINTMENT OF Ms WALLSTRÖM TO THE POST OF SPECIAL REPRESENTATIVE OF THE UNITED NATIONS.....	22
12.2. IMPACT OF THE ECONOMIC CRISIS ON KEY ECONOMIC SECTORS OF THE EU (JANUARY 2010 UPDATE) (SEC(2010)112)	23

Single sitting: Wednesday 3 February 2010 (morning)

The sitting opened at 09.08 hours with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Baroness ASHTON	High Representative/Vice-President	Items 8 to 12
Ms WALLSTRÖM	Vice-President	
Mr VERHEUGEN	Vice-President	
Mr BARROT	Vice-President	
Mr KALLAS	Vice-President	
Mr TAJANI	Vice-President	
Ms REDING		
Mr DIMAS		Items 8 to 12
Mr ALMUNIA		
Mr BORG		
Mr POTOČNIK		
Mr REHN		
Mr KOVÁCS		Items 8 to 12
Ms KROES		
Ms FISCHER BOEL		
Ms FERRERO-WALDNER		
Mr McCREEVY		
Mr ŠPIDLA		
Mr PIEBALGS		
Ms KUNEVA		
Mr ORBAN		Items 1 to 7, 8/9/10/11 (in part) and 12
Ms VASSILIOU		
Mr ŠEMETA		
Mr SAMECKI		
Mr DE GUCHT		
Mr ŠEFČOVIČ		

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr CARVOUNIS	Deputy Director-General, DG Communication	
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr DOENS	DG Communication – Commission Spokesman's Service	
Mr GASPAR	Acting Director-General, Bureau of European Policy Advisers	
Mr CABRAL	Adviser hors classe in the PRESIDENT's Office	Items 1 to 11
Mr MORRISON	Chef de cabinet to Baroness ASHTON	Item 12
Mr MARTÍNEZ MONGAY	Chef de cabinet to Mr ALMUNIA	
Ms BUGNOT	Chef de cabinet to Mr ORBAN	Items 8/9/10/11 (in part)

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

1. AGENDA

(OJ(2010)1904/3)

The Commission took note of that day's agenda.

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2010)1904)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 1 February.

3. MINUTES OF 1903RD MEETING (27 JANUARY)

(PV(2010)1903)

The Commission approved the minutes of its 1903rd meeting.

4. INTERINSTITUTIONAL RELATIONS

(SEC(2010)82)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 29 January (SEC(2010)82).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Ordinary legislative procedure

(point 1.2.1 of the IRG record)

Application of Article 290 of the Treaty on the Functioning of the European Union

- European rail network for competitive freight (Regulation) – DUCHON report – 2008/0247 (COD)

The Commission authorised Mr TAJANI to adopt a policy position in principle on a Presidency compromise, following the line set out in note SI(2010)24; formal adoption of this position was reserved for a subsequent decision by the future Commission.

- Industrial emissions (integrated pollution prevention and control) (Directive - recast) – KRAHMER report – 2007/0286 (COD)

The Commission authorised Mr DIMAS to adopt a policy position in principle on a Presidency compromise, following the line set out in note SI(2010)25/2; formal adoption of this position was reserved for a subsequent decision by the future Commission.

- Novel foods (Regulation) – LIOTARD Report – 2008/0002 (COD)

The Commission authorised Ms VASSILIOU to adopt a policy position in principle on a Presidency compromise, following the line set out in note SI(2010)26/2; formal adoption of this position was reserved for a subsequent decision by the future Commission.

ii) Preparation for the February I part-session of Parliament

(point 1.3 of the IRG record)

Ordinary legislative procedure – 1st reading

- European Regional Development Fund – Eligibility of housing measures in favour of marginalised communities (Regulation) – VAN NISTELROOIJ report – 2009/0105 (COD)

The Commission approved the line set out in SP(2010)471 and /2.

Special legislative procedure – Consultation

- Administrative cooperation in the field of taxation (Council Directive) – ALVAREZ report – 2009/0004 (CNS)

The Commission approved the line set out in SP(2010)472 and /2.

- Mutual assistance for the recovery of claims relating to taxes, duties and other measures (Council Directive) – STOLOJAN report – 2009/0007 (CNS)

The Commission approved the line set out in SP(2010)473.

- Optional and temporary application of the reverse charge mechanism in relation to supplies of certain goods and services susceptible to fraud (Council Directive) – CASA report – 2009/0139 (CNS)

The Commission approved the line set out in SP(2010)474.

4.2. RELATIONS WITH THE COUNCIL

iii) Programming of Council business

(SI(2010)30)

The Commission took note of the information in SI(2010)30 on the Council meetings between 4 and 17 February.

iv) Results of the informal meeting of ministers of employment and social policy (Barcelona, 28 and 29 January)

(SEC(2010)117)

The Commission took note of the information note from Mr ŠPIDLA, distributed as SEC(2010) 117.

4.3. RELATIONS WITH PARLIAMENT

v) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its November I and II part-sessions

(point 3.4.2 of the IRG record)

The Commission approved document SP(2010)484 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its November I and II part-sessions, for transmission to Parliament.

vi) Action taken on non-legislative resolutions adopted by Parliament at its November I part-session

(point 3.4.3 of the IRG record)

The Commission approved document SP(2010)485 on the action taken on the non-legislative resolutions adopted by Parliament at its November I part-session, for transmission to Parliament.

vii) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its December part-session

(point 3.4.4 of the IRG record)

The Commission approved document SP(2010)486/2 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its December part-session, for transmission to Parliament.

viii) Presence of Members of the Commission at Question Time during Parliament's March I part-session

(SP(2010)694)

The Commission approved document SP(2010)694 setting out the list of Commission Members to be present at Question Time during Parliament's March I part-session, for transmission to Parliament.

4.4. OTHER MATTERS

ix) Better regulation and the codification of the *acquis communautaire*

(SEC(2010)113)

The Commission took note of the information note from the PRESIDENT in agreement with Mr VERHEUGEN in SEC(2010)113.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2010)78 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 25 and 29 January.

5.2. EMPOWERMENT

(SEC(2010)79 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 25 and 29 January.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2010)80 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 25 and 29 January, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2010)81)

The Commission took note of the sensitive written procedures for which the time limit expired between 1 and 5 February.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2010)77/2)

ADMINISTRATIVE MATTERS
(PERS(2010)9/2)

**6.1. DG HUMAN RESOURCES AND SECURITY / SECRETARIAT-
GENERAL – AMENDMENT OF DECISION C(2004)1597/5 ON A NEW
POLICY FOR THE ENGAGEMENT AND USE OF TEMPORARY
AGENTS**
(C(2010)714)

The Commission took note of the information at point 1 of PERS(2010)9/2 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT, adopted the decision in C(2010)714 amending its decision C(2004)1597/5 of 28 April 2004 with regard to temporary staff recruited under Article 2(c) of the Conditions of employment applicable to other servants of the Communities.

This decision would take effect immediately.

**6.2. DG HUMAN RESOURCES AND SECURITY – CHANGE IN THE
EFFECTIVE DATE OF A DECISION TRANSFERRING A SENIOR
MANAGEMENT OFFICIAL**

The Commission took note of the information at point 2 of PERS(2010)9/2 and, on a proposal from Mr KALLAS, in agreement with the PRESIDENT and Ms KROES, decided to set 18 February 2010 as the effective date of the decision transferring in the interest of the service Mr Alexander ITALIANER, currently Deputy Secretary-General in the Secretariat-General, to the post of Director-General of DG Competition.

6.3. DG HUMAN RESOURCES AND SECURITY / SECRETARIAT-GENERAL – RULES GOVERNING THE COMPOSITION OF MEMBERS’ PRIVATE OFFICES AND THEIR SPOKESPERSONS

(SEC(2010)104/2)

The Commission took note of the memorandum from Mr KALLAS, in agreement with the PRESIDENT, as set out in SEC(2010)104/2.

The provisions concerning the private office of the Vice-President/High Representative and the Spokesman’s Service would take effect immediately. The remaining provisions would take effect on the date when the new Commission took office.

7. COMMUNICATION FROM THE COMMISSION TO THE COUNCIL - ASSESSMENT OF THE ACTION TAKEN BY POLAND IN RESPONSE TO THE COUNCIL RECOMMENDATION WITH A VIEW TO BRINGING AN END TO THE SITUATION OF EXCESSIVE GOVERNMENT DEFICIT (COM(2010)24 TO /3 ; SEC(2010)92)

The Commission approved the communication in COM(2010)24/3, for transmission to the Council.

8. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

INFRINGEMENTS: URGENT CASE

(SEC(2010)101 AND /2)

**9. COMMISSION RECOMMENDATION FOR A COUNCIL OPINION ON THE
UPDATED STABILITY PROGRAMME OF GREECE, 2010-2013**

(SEC(2010)94 TO /3; SEC(2010)96; SEC(2010)92)

**10. COMMISSION RECOMMENDATION FOR A COUNCIL
RECOMMENDATION WITH A VIEW TO ENDING THE INCONSISTENCY
WITH THE BROAD GUIDELINES OF THE ECONOMIC POLICIES IN
GREECE AND REMOVING THE RISK OF JEOPARDISING THE PROPER
FUNCTIONING OF ECONOMIC AND MONETARY UNION**

(SEC(2010)95 TO /3; SEC(2010)96; SEC(2010)92)

**PROPOSAL FOR A COUNCIL DECISION MAKING PUBLIC THE
RECOMMENDATION WITH A VIEW TO ENDING THE INCONSISTENCY
WITH THE BROAD GUIDELINES OF THE ECONOMIC POLICIES IN
GREECE AND REMOVING THE RISK OF JEOPARDISING THE PROPER
FUNCTIONING OF ECONOMIC AND MONETARY UNION**

(COM(2010)26 TO /3; SEC(2010)96; SEC(2010)92)

**11. COMMISSION RECOMMENDATION FOR A COUNCIL DECISION
GIVING NOTICE TO GREECE TO TAKE MEASURES FOR THE DEFICIT
REDUCTION JUDGED NECESSARY IN ORDER TO REMEDY THE
SITUATION OF EXCESSIVE DEFICIT**

(SEC(2010)93 A /3; SEC(2010)96; SEC(2010)92)

The PRESIDENT presented all the documents concerning the economic situation in Greece, listed under points 8 to 11 of these minutes, underlining the special importance of the proposals they contained in relation to certain factors.

First he explained how serious the situation was in Greece, with a budget deficit of 12.7%, a national debt amounting to 112.6% of gross domestic product (GDP) in 2009, the general non-viability of public finances, and budget imbalances that were reflected in a trade balance deficit, pointing to inadequate competitiveness. These aspects reflected profound structural weaknesses, justifying urgent remedial action.

The decisions were aimed at helping Greece and giving it the support it needed in this difficult situation, in line with the spirit of solidarity which must prevail between Member States. There was no room for indulgence, and a tough and rigorous approach must be taken. There was a need to boost confidence in Greece and to encourage the country to implement its ambitious budget adjustment programme. Greece would certainly be willing and able to do this. He referred to the measures announced on Tuesday evening by Greek Prime Minister Georges Papandreou, which were obviously a sign of his determination to deal with the problems, an attitude which must be encouraged.

The PRESIDENT said that the situation in Greece posed a systemic problem, not only for the euro zone but for the European Union as a whole. European economies and financial systems were very interdependent, a factor which had been further emphasised by this crisis.

Lastly, he underlined the fact that the decisions to be taken that day fell within the remit of the Commission, which bore responsibility for budget surveillance, therefore this would be a test of its credibility in this role.

He then asked Mr ALMUNIA to present his proposals and his solution to deal with the matters still pending following the meeting of the Chefs de Cabinet.

Mr ALMUNIA presented the measures he was submitting to the Commission for approval, indicating how important they were in the light of the economic and budget situation in Greece and the implications which Greece's problems could have on economic and monetary union as a whole. Thus there was a need to help solve the problems affecting Greece in the context of an approach embracing this bigger picture.

He reported on the current situation in Greece, pointing out that while the deficit figure notified by the Greek authorities in October 2009 stood at 12.7%, this was not exceptional. This figure had in fact fluctuated very widely during various forecasting exercises since 2008, mainly because the statistics submitted had not been reliable which, coupled with the Greek authorities' budget management problems, had led to a decline in confidence on the financial markets. He referred to the measures envisaged by the new Greek government since its arrival at the helm in October 2009, the positive way in which these measures had been reinforced, and the additional measures announced publicly by the Prime Minister the evening before. He hoped that these commitments would have a positive effect on market confidence, as would the support of the euro-zone Member States.

The programme proposed by the Greek authorities was both ambitious and feasible, but considerable political will would be needed to implement it given the persistent risks. Therefore the Commission's response must clearly convey a positive assessment of the proposed measures and the Commission's support for these efforts, together with the need for awareness of the risks and close monitoring of the implementation of the consolidation programme.

The proposed series of measures included an infringement procedure in the case of statistical failures and the need in the longer term to ensure the independence and quality of the work of the Greek statistics office.

Mr ALMUNIA then referred to the excessive deficit procedure with regard to which the Greek government had proposed an ambitious three-year adjustment programme, involving very substantial efforts at the start of the period. These measures had been integrated into the recommendations made by the Commission and would result in the rapid, sustained implementation of a monitoring mechanism as of 16 March.

The proposals also included an opinion on the stability programme presented by Greece and a recommendation on implementing a new instrument under Article 121(4) of the Treaty on the Functioning of the European Union (TFEU) relating to structural reforms.

An amendment to Article 4(1) would be added to the current version of the recommendation for a decision mentioned under point 11 of these minutes to introduce close monitoring of the implementation of the measures while providing for the possibility of taking additional measures if necessary because of external factors or unpredictable macroeconomic developments. Lastly, since the Commission had not yet been formally notified of the measures publicly announced by the Greek Prime Minister on Tuesday, the text of the recommendation would be modified later on in the course of the interinstitutional process.

He concluded by reiterating the message that should be conveyed in the communication on this issue, namely the Commission's support for the ambitious and feasible 2010-2013 stability programme proposed by the Greek government, but he stressed the ever-present risks and the possibility of taking additional measures if necessary. He was convinced that all of these measures were necessary to contribute to restoring Greece's economic and budget situation and to ensure solid foundations for economic and monetary union.

Mr REHN, in his capacity as Commissioner-designate responsible for economic and monetary affairs in the incoming Commission, thanked Mr ALMUNIA for his close cooperation on this matter. He confirmed Mr ALMUNIA's analysis that Greece's economy was in serious difficulty and that its budget was in a precarious situation. In addition international markets were agitated and there was a risk that this would impact on the rest of the euro zone. This crisis was a test of the credibility of the euro zone, the stability and growth pact and the Commission itself.

In his view, the Commission should send out a clear signal supporting the Greek government in its efforts to implement these tough measures. He fully supported all the measures proposed by Mr ALMUNIA. However there were serious risks involved in implementing them, so he was happy to see that it would be possible to have recourse to an emergency plan taking account of these risks. He also welcomed the positive signal sent out by the Greek Prime Minister when he announced additional measures. He agreed with the proposal to apply Article 121(4) of the TFEU concerning structural reforms, and felt that the incoming Commission should monitor closely the implementation of these measures in the coming months. One

possibility open to the Commission was the suspension of Cohesion Fund aid, which could act as a useful lever for the future, if necessary, but it was not appropriate to exercise this option at the moment.

He also mentioned the need for good communication with respect to the Greek government and population in order to convey the Commission's support for the reform efforts and to highlight their importance in ensuring the credibility of the euro zone. He concluded by reiterating his firm support for the reforms to be carried out in Greece and by reasserting the Commission's role in monitoring implementation of the reforms and, if necessary, its responsibility for considering additional measures.

The Commission then held a debate during which broad agreement emerged on the proposed approach and which focused on the following points:

- questions about the extent to which the whole political class and the people of Greece would support the difficult measures announced by the Greek Prime Minister on Tuesday 2 February, about his possible response to current or likely social unrest and about the expected effects on the euro if these measures failed to work;
- the need in this context to demonstrate the Commission's support for the Greek government and to encourage as far as possible the creation of a national consensus on combating the crisis;
- the importance at this stage of not setting out a rescue plan over and above the measures in the stability programme, but of concentrating efforts on monitoring and checking the implementation of the measures proposed, while sending out a clear signal that additional measures might be required if the situation worsened;
- the importance of the scope offered by the structural funds, which so far had been inadequately used by Greece, and the fact that suspending Cohesion Fund aid might be counter-productive both for the Greek economy and for the euro zone;

- the difficult relationship between the role of the International Monetary Fund and that of the European Union, as the latter had to be able to come to the aid of its Member States but lacked the tools to do so, and the case for considering the possibility of issuing Eurobonds to open up new sources of borrowing for Greece;
- reluctance on the part of certain Member States regarding such an assistance mechanism, and, if it were to be put in place, the need for more rigour and greater budgetary convergence;
- the importance of clear communication that highlighted the measures taken respectively by the International Monetary Fund and the EU to support certain Member States in difficulty;
- the fact that management of the Greek situation constituted an unprecedented test for the European monetary system and hence for the EU; the danger of contagion to other Member States and the need for greater economic convergence between members of the economic and monetary union;
- alongside the risk of social tension, the danger of the Greek economy imploding as a result of the efforts required to meet the objective of a 10% reduction in the deficit over three years, it being a fragile, low added-value economy;
- parallels with the problems encountered by Hungary in 2008;
- the need to ensure in future the quality and reliability of statistics in Greece and in other Member States;
- the importance for the future of setting strict conditions for the accession of new Member States to the euro so as to safeguard the credibility and smooth operation of economic and monetary union;
- the positive signal that would be sent out to the markets if the proposals combined surveillance, support and solidarity.

In response to these various remarks, Mr ALMUNIA agreed that it would be

inadvisable to suspend aid from the Cohesion Fund, as this would impose an extra burden on Greece. He also stressed the importance of ensuring that reliable and high-quality statistical data were available, and reminded the meeting that, in parallel with the infringement proceedings opened against Greece on this matter, the new Commission should, very soon after taking office, adopt a proposal to amend the regulation on the quality of statistics in order to grant Eurostat additional audit powers in exceptional circumstances.

Regarding the questions that had been raised internationally concerning economic and monetary union, he felt that EMU provided a means of responding adequately to the specific needs of its Member States and that in the present case it was necessary to support Greece in its efforts and at the same to be aware of the risks involved and to implement all the necessary surveillance measures. On the question of setting up a common mutual support scheme within the euro zone, he pointed out that, although such an instrument had already been considered in the communication on ten years of economic and monetary union approved in May 2008, it would require the agreement of all the countries concerned and at the same time entail additional risks in view of the sensitivity of the international financial markets. Lastly, he hoped that the forthcoming discussion on the Europe 2020 strategy would provide an opportunity to re-examine the need for closer coordination of economic policies and to conclude that the Member States should adopt a more ambitious approach in this field.

Mr REHN announced the preparation in the months ahead of an initiative on stepping up the coordination of economic policies and surveillance. He agreed that it was not desirable at this stage to discuss an alternative crisis-resolution mechanism which could have a counter-productive effect in the current situation.

For his part, the PRESIDENT confirmed that it was not legally possible for this Commission, which was restricted to managing current business, to adopt a proposal to amend the regulation on the quality of statistical data in connection with the excessive deficit procedure. Given the need for rapid progress in this field, he suggested that an emergency written procedure be launched on this dossier as soon as the new Commission took office, so that the draft could be examined by the

Council at its Economic and Financial Affairs meeting on 16 February. He also recalled that the Commission had presented a proposal on this in 2004, a fact which seemed to have been forgotten by the critics who were lamenting the Commission's inaction in this matter.

He stressed it was important for the whole Commission to unite behind the proposals put forward by Mr ALMUNIA and he welcomed the consensus that had emerged during that day's discussion. He called on all Members to prepare themselves to answer the questions they would inevitably be asked regarding this important set of documents.

As regards the support to be given to Greece, the PRESIDENT felt that a firm line was the best way of supporting the government's determination and of guaranteeing that the stability programme for 2010-2013 be put into effect. He again welcomed as a positive sign the additional measures announced by Mr Papandreou on Tuesday 2 February.

In response to the appeals for greater economic convergence within the Union, he confirmed that this fundamental issue, on which much work still had to be done, would be addressed as part of the definition of the future European economic strategy, Europe 2020.

He ended by stressing the need for a resolute defence of economic and monetary union and pointing out that this Commission could be proud of the work it had done for the benefit of the stability and growth pact and the credibility of economic and monetary union.

Following this discussion the Commission:

- adopted the decision in SEC(2010)101/2;
- adopted the recommendation in SEC(2010)94/3, for transmission to the Council;
- adopted the recommendation in SEC(2010)95/3, for transmission to the Council;

- adopted the proposal for a Council decision in COM(2010)26/3, for transmission to the Council;
- adopted the recommendation in SEC(2010)93/3, for transmission to the Council, subject to the amendment of Article 4(1) on page 9, which would read as follows:

“Greece shall submit to the Council and the Commission and make public, by 16 March 2010 at the latest, a report spelling out the implementation calendar of the measures established in Article 2 of this Decision to achieve the 2010 budgetary targets, including measures envisaged in Article 2B if needed.”.

12. OTHER BUSINESS

12.1. APPOINTMENT OF Ms WALLSTRÖM TO THE POST OF SPECIAL REPRESENTATIVE OF THE UNITED NATIONS

Ms WALLSTRÖM informed the Commission that she had been appointed for two years to the post of Special Representative of the United Nations on sexual violence in conflict.

She thanked the PRESIDENT, Baroness ASHTON, Ms FERRERO-WALDNER and Mr DE GUCHT for supporting her application. Although her new post would constitute a great challenge, she felt it would surely give her the opportunity to contribute at international level to the important task of promoting respect for the rights of women and children.

On behalf of the Commission, the PRESIDENT congratulated Ms WALLSTRÖM on her appointment and wished her every success in her new post at the United Nations.

The Commission took note of this information.

**12.2. IMPACT OF THE ECONOMIC CRISIS ON KEY ECONOMIC SECTORS
OF THE EU (JANUARY 2010 UPDATE)
(SEC(2010)112)**

The Commission took note of the information note from Mr VERHEUGEN in SEC(2010)112.

* * *

After the agenda items had been dealt with, the PRESIDENT paid tribute, in this the last meeting of the current Commission, to all of its Members, whether they were staying on for a new term of office or moving on to other challenges. He reminded the meeting of how vital the last five years had been for the European Union and reviewed the issues and challenges which had been faced and the successful work which had been done.

He emphasised that this Commission had always remained at the heart of the European project, had never shirked its responsibilities and had always tried to bring about a “Europe of results”, overcoming doubts and difficulties along the way right from the outset. In this connection, he mentioned the direction of Europe's economy, negotiations in the budgetary field and the long process of drawing up a European Constitution.

He affirmed that, on all the important issues, the Commission had acted with vigour, while at the same time being fully involved in bringing about the historic enlargement of the European Union to include 12 new Member States. He also mentioned specifically:

- the relaunch of a more pragmatic Lisbon strategy, focused on achieving tangible results;
- the revision of the Stability and Growth Pact to restructure it and strengthen its

credibility, which had proved to be of fundamental importance in the context of the economic crisis;

- the tying up of particularly sensitive issues such as the financial perspective and the Services Directive and the development of a new legislative and regulatory culture, at the Commission and beyond;
- establishment of a new relationship with the European Council, as illustrated by the Hampton Court summit in October 2005, at which the European Council supported Commission proposals on energy, climate change, competitiveness, innovation and tackling the challenges of globalisation, all subjects which had been high on this Commission's agenda;
- definition, as part of the 2006 Citizens' Agenda, of a dual strategy combining institutional reform and political initiatives;
- finally, the Lisbon Treaty and many important legislative proposals, notably on roaming charges for mobile telephones, or the ambitious package of proposals concerning energy and climate change.

The PRESIDENT also mentioned certain specific challenges which this Commission had faced, in particular the "No" vote in the Irish referendum on the Lisbon Treaty, which required innovative solutions to be found to institutional questions and, above all, the financial and economic crisis which had imposed very serious constraints on Europe. At times it had also been necessary to defend the internal market and the rules on competition and state aid, and the Commission had had undeniable success in placing the European economic response in a consistent overall framework and in going as far as the resistance of certain Member States would allow. He also noted that the Commission had inspired and contributed substantially to the decisions made by the G20 and that the fundamental importance of its reflections and initiatives in 2008 were now universally recognised.

He welcomed the fact that the Commission had contributed to improving the public's perception of the European Union, though he acknowledged that there was still work to do in this area. Long and painstaking efforts had allowed the Union to

become associated with two positive ideas, firstly that of reform, which, although often difficult, had been implemented in many policy areas from agriculture to enterprise, by way of telecommunications and migration, and secondly that of a "Europe of results", characterised by a determination to take action on issues which can have a real and tangible impact on European citizens.

The PRESIDENT concluded his contribution by once again expressing his pride in the work done collectively by this Commission. He thanked the outgoing Members once again for their contribution to the positive outcome of this first term of office and he welcomed the opportunity of continuing the work with those who would stay on for a second term. He then asked each of them to kindly convey his thanks to the members of their private offices and departments.

Ms WALLSTRÖM briefly took the floor to thank the PRESIDENT, on behalf of all Members of the Commission, for his constant support and availability, despite holding an office which was particularly exposed and often difficult. Finally, on behalf of everyone, she wished the new Commission and its President every success.

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The meeting closed at 11.28 hours.