



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2010)1906 final

Brussels, 3 March 2010

MINUTES
of the 1906th meeting of the Commission
held in Brussels
(Berlaymont)
on Wednesday 24 February 2010
(morning)

PV(2010)1906 final

TABLE OF CONTENTS

Attendance list	5-7
1. AGENDA (OJ(2010)1906/3)	8
2. WEEKLY MEETING OF CHEFS DE CABINET (SEC(2010)1906)	8
3. MINUTES OF THE 1905TH MEETING (17 FEBRUARY) (PV(2010)1905).....	8
4. INTERINSTITUTIONAL RELATIONS (SEC(2010)145).....	8
4.1. LEGISLATIVE MATTERS	8
4.2. RELATIONS WITH THE COUNCIL	10
4.3. RELATIONS WITH PARLIAMENT	10
5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW	11
STATE AID – INDIVIDUAL CASES (SEC(2010)156/2).....	11
6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	12
6.1. WRITTEN PROCEDURES APPROVED (SEC(2010)137 ET SEQ.).....	12
6.2. EMPOWERMENT (SEC(2010)138 ET SEQ.)	12
6.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2010)139 ET SEQ.).....	12
6.4. SENSITIVE WRITTEN PROCEDURES (SEC(2010)140)	12
7. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2010)136/3)	13
7.1. SECRETARIAT-GENERAL / DG COMMUNICATION / DG ENTREPRISE AND INDUSTRY / DG RESEARCH / DG INFORMATION SOCIETY AND MEDIA / DG EDUCATION AND CULTURE / DG HEALTH AND CONSUMERS / DG JUSTICE, FREEDOM AND SECURITY / DG TRADE / INTERNAL AUDIT SERVICE –	

<i>TRANSFER OF ACTIVITIES AND ORGANISATIONAL ENTITIES</i> <i>(SEC(2010)170/2).....</i>	<i>13</i>
7.2. <i>DG AGRICULTURE AND RURAL DEVELOPMENT – APPOINTMENT OF</i> <i>AD14/15 DIRECTOR (PERS(2009)121 TO /3).....</i>	<i>15</i>
7.3. <i>EUROPEAID - APPOINTMENT OF AD14/15 PRINCIPAL ADVISER</i> <i>(PERS(2009)49 TO /5).....</i>	<i>16</i>
7.4. <i>JOINT RESEARCH CENTRE - APPOINTMENT OF AD15/16 DEPUTY</i> <i>DIRECTOR-GENERAL (PERS(2009)83 TO /5).....</i>	<i>16</i>
7.5. <i>DG INFORMATION SOCIETY AND MEDIA – EXCEPTION TO THE</i> <i>COMPULSORY MOBILITY RULES FOR AN AD16 OFFICIAL.....</i>	<i>17</i>
7.6. <i>DG JUSTICE, FREEDOM AND SECURITY – AMENDMENT OF ORGANISATION</i> <i>CHART.....</i>	<i>17</i>
7.7. <i>DG HUMAN RESOURCES AND SECURITY / DG EXTERNAL RELATIONS -</i> <i>ROTATION OF HEADS OF DELEGATION FOR 2010 – EXCEPTION TO THE</i> <i>COMMISSION DECISION ON TEMPORARY STAFF</i>	<i>17</i>
7.8. <i>DG HUMAN RESOURCES AND SECURITY / DG EXTERNAL RELATIONS –</i> <i>POWER TO RECRUIT AND EMPLOY TEMPORARY STAFF IN HEAD OF</i> <i>DELEGATION POSTS AT HEAD OF UNIT LEVEL AS PART OF THE ROTATION</i> <i>OF HEADS OF DELEGATION FOR 2010</i>	<i>18</i>
8. <i>COMMISSION DECISION AMENDING ITS RULES OF PROCEDURE</i> <i>AND MODIFICATION OF THE IMPLEMENTING RULES</i> <i>(C(2010)1200 TO /3; SEC(2010)164; SEC(2010)165)</i>	<i>19</i>
9. <i>PROPOSAL FOR A REGULATION OF THE EUROPEAN</i> <i>PARLIAMENT AND THE COUNCIL AMENDING COUNCIL</i> <i>REGULATION (EC) NO 2007/2004 ESTABLISHING A EUROPEAN</i> <i>AGENCY FOR THE MANAGEMENT OF OPERATIONAL</i> <i>COOPERATION AT THE EXTERNAL BORDERS OF THE MEMBER</i> <i>STATES OF THE EUROPEAN UNION (FRONTEX) (COM(2010)61</i> <i>TO /4; SEC(2010)149; SEC(2010)150; SEC(2010)151; SEC(2010)152).....</i>	<i>19</i>
10. <i>COMMISSION COMMUNICATION TO THE EUROPEAN</i> <i>PARLIAMENT AND TO THE COUNCIL – COMMISSION OPINION</i>	

ON ICELAND'S APPLICATION FOR ACCESSION TO THE EUROPEAN UNION (COM(2010)62 TO /3; SEC(2010)153 AND /2; SEC(2010)154).....	20
11. OTHER BUSINESS.....	24
<i>PREPARATION OF COMMISSION SEMINAR ON 25 AND 26 FEBRUARY.....</i>	<i>24</i>

Single sitting: Wednesday 24 February 2010 (morning)

The sitting opened at 09.05 hours with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President
Ms REDING	Vice-President
Mr ALMUNIA	Vice-President
Mr KALLAS	Vice-President
Ms KROES	Vice-President
Mr TAJANI	Vice-President
Mr ŠEFČOVIČ	Vice-President
Mr POTOČNIK	
Mr REHN	
Mr PIEBALGS	
Mr BARNIER	
Mr ŠEMETA	
Mr DE GUCHT	
Mr DALLI	
Ms GEOGHEGAN-QUINN	
Mr LEWANDOWSKI	
Ms DAMANAKI	
Ms GEORGIEVA	
Mr OETTINGER	
Mr HAHN	
Ms HEDEGAARD	
Mr FÜLE	
Mr ANDOR	
Ms MALMSTRÖM	
Mr CIOLOŞ	

Items 10 (in part) and 11

Absent:

Baroness ASHTON

High Representative/
Vice-President

Ms VASSILIOU

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

Ms NICOLAY	Adviser in Baroness ASHTON's office
Mr BRUNET	Chef de cabinet to Ms VASSILIOU

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	Items 10 (in part) and 11
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr CARVOUNIS	Deputy Director-General, DG Communication	
Mr DOENS	Head of the Commission Spokesperson Service	
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr SCHINAS	Bureau of European Policy Advisers	
Mr MORDUE	Chef de cabinet to Mr FÜLE	Item 10
Mr LEIGH	Director-General, DG Enlargement	Item 10

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

1. AGENDA

(OJ(2010)1906/3)

The Commission took note of that day's agenda.

2. WEEKLY MEETING OF CHEFS DE CABINET

(SEC(2010)1906)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 22 February.

3. MINUTES OF THE 1905TH MEETING (17 FEBRUARY)

(PV(2010)1905)

The Commission held over approval of the minutes of its 1905th meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS

(SEC(2010)145)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 19 February (SEC(2010)145).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Ordinary legislative procedure

(point 1.2 of the IRG record)

- Structures for the management of the European satellite radio navigation programmes (Regulation) – TOŠENOVSKÝ report – 2009/0047 (COD) – Preparation of an agreement at first reading

The Commission authorised Mr TAJANI to pursue contacts with Parliament and the Council in order to encourage an agreement at first reading, following the line set out in SPI(2010)5/3.

- Health requirements applicable to the non-commercial movement of pet animals (Regulation) – DE BRÚN report – 2009/0077 (COD) – Preparation of an agreement at first reading

The Commission approved the line set out in SPI(2010)6.

ii) Preparation for the February I part-session of Parliament
(point 1.3 of the IRG record)

Ordinary legislative procedure – Codecision – 1st reading

- Annual accounts of certain types of companies as regards micro-entities (Directive) – LEHNE report – 2009/0035 (COD)

The Commission approved the line set out in SP(2010)788.

Special legislative procedure – Consultation

- Investment projects in energy infrastructure within the European Union (Council Regulation) – VÁLEAN report – 2009/0106 (CNS)

The Commission approved the line set out in SP(2010)789.

iii) Formal adoption of positions taken up by the Commission during the period of managing current business
(point 1.4 of the IRG record)

The Commission confirmed the policy positions adopted while the previous Commission had been managing current business in relation to seven dossiers

under discussion in the Council and in the European Parliament; these dossiers were mentioned in SI(2010)45.

4.2. RELATIONS WITH THE COUNCIL

iv) Programming of Council business (SI(2010)50)

The Commission took note of the information in SI(2010)50 on the Council meetings between 25 February and 10 March.

v) Results of the informal meeting of development ministers (La Granja, 17 and 18 February) (SEC(2010)179)

The Commission took note of the information note from Mr PIEBALGS in SEC(2010)179.

4.3. RELATIONS WITH PARLIAMENT

vi) Action taken on non-legislative resolutions adopted by Parliament at its November II part-session (point 3.5.2 of the IRG record)

The Commission approved document SP(2010)793/2 on the action taken on the non-legislative resolutions adopted by Parliament at its November II part-session, for transmission to Parliament.

vii) Action taken on non-legislative resolutions adopted by Parliament at its December part-session (point 3.5.3 of the IRG record)

The Commission approved the documents SP(2010)794 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its December part-session, for transmission to Parliament.

viii) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its January part-session
(point 3.5.4 of the IRG record)

The Commission approved document SP(2010)795 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its January part-session, for transmission to Parliament.

ix) Participation by Members of the European Parliament in international conferences
(point 3.6 of the IRG record)

- Forty-eighth session of the UN Commission for Social Development
(New York, 3-12 February)

The Commission decided to reply to the request to the PRESIDENT from Mr Jerzy Buzek, President of Parliament, concerning the attendance of eight Members of the European Parliament at the above-mentioned conference, pointing out that the request had been received late.

- Fifty-fourth session of the UN Commission on the Status of Women
(New York, 1-12 March)

The Commission decided to agree to the request to the PRESIDENT from Mr Jerzy Buzek, President of Parliament, concerning the attendance of eight Members of the European Parliament at the above-mentioned conference.

5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

STATE AID – INDIVIDUAL CASES
(SEC(2010)156/2)

The Commission adopted the decisions in SEC(2010)156/2.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED (SEC(2010)137 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 February.

6.2. EMPOWERMENT (SEC(2010)138 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 15 and 19 February.

6.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2010)139 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 15 and 19 February, as archived in e-Greffe.

6.4. SENSITIVE WRITTEN PROCEDURES (SEC(2010)140)

The Commission took note of the sensitive written procedures for which the time limit expired between 22 and 26 February.

7. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2010)136/3)

ADMINISTRATIVE MATTERS

(PERS(2010)16/3)

7.1. SECRETARIAT-GENERAL / DG COMMUNICATION / DG ENTREPRISE AND INDUSTRY / DG RESEARCH / DG INFORMATION SOCIETY AND MEDIA / DG EDUCATION AND CULTURE / DG HEALTH AND CONSUMERS / DG JUSTICE, FREEDOM AND SECURITY / DG TRADE / INTERNAL AUDIT SERVICE – TRANSFER OF ACTIVITIES AND ORGANISATIONAL ENTITIES

(SEC(2010)170/2)

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, Ms REDING, Mr TAJANI, Ms GEOGHEGAN-QUINN, Ms KROES, Ms VASSILIOU, Mr DALLI, Ms MALMSTRÖM, Mr DE GUCHT and Mr ŠEMETA, the Commission decided on the transfer of activities and of the corresponding organisational entities, staff and administrative appropriations as set out in detail in SEC(2010)170/2. It decided, in particular:

- to transfer the ‘Citizenship policy; Europe for citizens’ and ‘Visits to the Commission’ units in the Directorate-General for Education and Culture to the Directorate-General for Communication; units EAC.D.4 and EAC.D.5 and the staff concerned would therefore be integrated into the Directorate-General for Communication as units COMM.A.4 and COMM.B.3;
- to transfer the ‘Impact assessment and administrative burden reduction programme’ unit, together with part of its staff, from the Directorate-General for Enterprise and Industry to the Secretariat-General; unit ENTR.B.5 and the staff in question would therefore be integrated into the Secretariat-General as Unit SG.C.3;

- to transfer the ‘Pharmaceuticals’ and ‘Cosmetics and medical devices’ units from the Directorate-General for Enterprise and Industry to the Directorate-General for Health and Consumers; units ENTR.F.2 and ENTR.F.3 and the staff concerned would therefore be integrated into the Directorate-General for Health and Consumers as units SANCO.C.8 and SANCO.B.2;
- to transfer coordination activities for the Transatlantic Economic Council, including aspects relating to regulatory dialogue, from the Directorate-General for Enterprise and Industry to the Directorate-General for Trade;
- to transfer the ‘MEDIA programme and media literacy’ unit, including responsibility for media literacy and the relevant staff, from the Directorate-General for Information Society and Media to the Directorate-General for Education and Culture; unit INFSO.A.2 and the staff concerned would therefore be integrated into the Directorate-General for Education and Culture as unit EAC.C.6;
- to transfer the responsibilities relating to universities and the ‘People’ Programme under the 7th Framework Programme from the Directorate-General for Research to the Directorate-General for Education and Culture; unit RTD.T.2 and the staff concerned, together with part of the staff of unit RTD.C.4, would therefore be integrated into the Directorate-General for Education and Culture as unit EAC.A.6;
- to transfer the ‘Consumer contract and marketing law’ unit from the Directorate-General for Health and Consumers to the Directorate-General for Justice, Freedom and Security; unit SANCO.B.2 and the staff concerned would therefore be integrated into the Directorate-General for Justice, Freedom and Security as unit JLS.E.5;
- to transfer the secretariat of the Audit Progress Committee from the Secretariat-General to the Internal Audit Service; unit SG.B.2 and the staff

concerned would therefore be integrated into the Internal Audit Service as unit IAS.01;

- to implement all these changes with the same level of resources.

The fund management centres had been split up in ABAC when work began on the structure of the 2010 budget, and the internal rules for the implementation of the 2010 budget would contain the necessary co-delegations. If warranted by the data on implementation, the 2010 budget clearing exercise would provide an opportunity to adjust the respective overall allocations (administrative expenditure). The budget nomenclature (ABB/ABM activities and the corresponding titles in the budget) would be adjusted in the draft 2011 budget, as would the allocation of operational and administrative appropriations (in the latter case in line with the transfers agreed between departments). The allocation of posts in the establishment plan would be adjusted in parallel with the decision on the 2011 draft budget.

These decisions would take effect on 1 March.

**7.2. DG AGRICULTURE AND RURAL DEVELOPMENT – APPOINTMENT
OF AD14/15 DIRECTOR
(PERS(2009)121 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, Direct Support, Market Measures, Promotion, in DG Agriculture and Rural Development (PERS(2009)121).

The Commission took note of the opinions of the Consultative Committee on Appointments of 18 December 2009 and 28 January 2010 (PERS(2009)121/2 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 ŠEFČOVIČ, in agreement with the PRESIDENT and Mr CIOLOŞ, it then decided to appoint Mr Klaus-Dieter BORCHARDT to the vacant post.

This decision would take effect on 1 March 2010.

**7.3. EUROPEAID - APPOINTMENT OF AD14/15 PRINCIPAL ADVISER
(PERS(2009)49 TO /5)**

The Commission had before it applications under Article 29(1)(a)(i) and (iii) and Article 29(2) of the Staff Regulations for the post of Principal Adviser in the EuropAid Cooperation Office (PERS(2009)49 to /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 1 and 29 October 2009 (PERS(2009)49/4 and /5).

It proceeded to compare the applicants' qualifications for the post. On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr PIEBALGS, it then decided to appoint Mr Kristian SCHMIDT to the post.

This decision would take effect on 1 March 2010.

**7.4. JOINT RESEARCH CENTRE - APPOINTMENT OF AD15/16 DEPUTY
DIRECTOR-GENERAL
(PERS(2009)83 TO /5)**

The Commission had before it applications under Article 29(1)(a)(i) and (iii) and Article 29(2) of the Staff Regulations for the post of Deputy Director-General of the Joint Research Centre (PERS(2009)83 to /3).

The Commission took note of the opinions of the Consultative Committee on Appointments of 19 November 2009 and 4 February 2010 (PERS(2009)83/4 and /5).

It proceeded to compare the applicants' qualifications for the post. On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms GEOGHEGAN-QUINN, it then decided to appoint Mr Robert-Jan SMITS to the post in question.

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

7.5. *DG INFORMATION SOCIETY AND MEDIA – EXCEPTION TO THE COMPULSORY MOBILITY RULES FOR AN AD16 OFFICIAL*

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms KROES, the Commission decided to make an exception to the rules on compulsory mobility until 1 June 2010 in respect of Mr Fabio COLASANTI, an AD16 official and Director-General of DG Information Society and Media since 1 July 2002.

This decision would take effect immediately.

7.6. *DG JUSTICE, FREEDOM AND SECURITY – AMENDMENT OF ORGANISATION CHART*

The Commission took note of the information in point 6 of PERS(2010)16/3 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms MALMSTRÖM, decided:

- to create a post of principal adviser in DG Justice, Freedom and Security;
- to abolish this post at the end of the Stockholm Programme.

These decisions would take effect immediately.

7.7. *DG HUMAN RESOURCES AND SECURITY / DG EXTERNAL RELATIONS - ROTATION OF HEADS OF DELEGATION FOR 2010 – EXCEPTION TO THE COMMISSION DECISION ON TEMPORARY STAFF*

The Commission took note of the information in point 7 of PERS(2010)16/3 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Baroness ASHTON, decided:

- that, by way of derogation from Article 1(1) of Commission Decision C(2004)3492, members of the temporary staff appointed to Head of

Delegation posts at grade AD9/14 would be recruited at grade AD12 instead of grade AD9. The eligibility criteria would be the same as those laid down in the Decision for recruitment to grade AD9 (12 years of professional experience, including two years in management);

- that, by way of derogation from Article 2(c) of Commission Decision C(2004)1597/5, the vacancy notices would not be published on the European Personnel Selection Office website, but would be sent only to the permanent representations for appropriate distribution.

These decisions would take effect immediately.

7.8. DG HUMAN RESOURCES AND SECURITY / DG EXTERNAL RELATIONS – POWER TO RECRUIT AND EMPLOY TEMPORARY STAFF IN HEAD OF DELEGATION POSTS AT HEAD OF UNIT LEVEL AS PART OF THE ROTATION OF HEADS OF DELEGATION FOR 2010

The Commission took note of the information in point 8 of PERS(2010)16/3 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Baroness ASHTON, decided, by way of derogation from Decision C(2007)5730 of 30 November 2007 on the exercise of powers conferred by the Staff Regulations on the Appointing Authority and by the Conditions of Employment of Other Servants on the Authority Responsible for Concluding Contracts of Employment, that the power to recruit temporary staff to Head of Delegation posts at Unit Head level as part of the rotation of Heads of Delegation for 2010 would be exercised by the Director-General of DG External Relations.

This decision would take effect immediately.

**8. COMMISSION DECISION AMENDING ITS RULES OF PROCEDURE AND MODIFICATION OF THE IMPLEMENTING RULES
(C(2010)1200 TO /3; SEC(2010)164; SEC(2010)165)**

Subject to final linguistic revision, the Commission adopted the Decision in C(2010)1200/3 amending its Rules of Procedure and decided to publish it in the Official Journal of the European Union.

It also adopted, subject to final linguistic revision, the implementing rules giving effect to the Rules of Procedure in Annex 2 to C(2010)1200/3 and took note of the supporting documents in SEC(2010)164 and SEC(2010)165.

**9. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL AMENDING COUNCIL REGULATION (EC) No 2007/2004 ESTABLISHING A EUROPEAN AGENCY FOR THE MANAGEMENT OF OPERATIONAL COOPERATION AT THE EXTERNAL BORDERS OF THE MEMBER STATES OF THE EUROPEAN UNION (FRONTEX)
(COM(2010)61 TO /4; SEC(2010)149; SEC(2010)150; SEC(2010)151; SEC(2010)152)**

The Commission adopted the proposal for a Regulation in COM(2010)61/4 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the European Data Protection Supervisor, and to the national parliaments, accompanied by the impact assessment and the summary thereof in staff papers SEC(2010)149 and SEC(2010)150, the contents of which were noted.

It also took note of the opinion of the Impact Assessment Board on the above proposal for a Regulation, as set out in SEC(2010)151.

**10. COMMISSION COMMUNICATION TO THE EUROPEAN PARLIAMENT
AND TO THE COUNCIL – COMMISSION OPINION ON ICELAND'S
APPLICATION FOR ACCESSION TO THE EUROPEAN UNION
(COM(2010)62 TO /3; SEC(2010)153 AND /2; SEC(2010)154)**

The PRESIDENT introduced this item, thanking Mr FÜLE and Mr REHN, in his former capacity as Commissioner responsible for this matter, together with their *cabinets* and departments, for the work carried out. This had started on 17 July 2009 when Iceland had submitted an application to join the European Union, following which the Council had, on 28 July, asked the Commission to submit to it an opinion on this application in line with Article 49 of the Treaty on the European Union.

The PRESIDENT underlined the highly symbolic political dimension of this opinion, the first to be issued by the new Commission, adding that the Commission would hold a policy debate at a later date on the European Union's enlargement strategy.

Mr FÜLE then presented the Commission's opinion on Iceland's application for accession to the European Union, which he submitted to the Commission for approval.

First he referred to the political situation in Iceland and the announcement of a referendum to be held on 6 March, following a decision by the Icelandic President not to ratify the law on repayments relating to the collapse of the Icesave bank. It was not yet certain that this referendum would be held since the Icelandic Government was currently negotiating with the United Kingdom and the Netherlands on the conditions for repaying the loans, the aim being to produce a modified draft law on Icesave that would make it possible to avoid holding a referendum.

Mr FÜLE said that the Commission's task was to see whether Iceland was ready to become a European Union Member, and whether the European Union had the capacity to integrate Iceland. The European Council and the Member States would then have to decide whether accession negotiations should be launched.

Turning to the main elements in the proposed opinion, he explained that, in accordance with the Commission's responsibilities, the evaluation should focus on the extent to which Iceland complies with the Copenhagen criteria, encompassing political and economic aspects, the *acquis* of the European Union and Iceland's ability to implement it.

Because of the severe economic and financial crisis in Iceland, the main focus was on compliance with the economic criteria. The Commission's evaluation of the measures taken to alleviate the effects of the crisis and deal with weaknesses in the Icelandic economic was generally positive given that some of these measures, for instance the capital movement restrictions imposed by Iceland, must by necessity be limited in time.

Despite the tough situation in Iceland because of the economic and financial crisis, the country could be considered as having a functioning market economy. As a member of the European Economic Area (EEA), it had already demonstrated its ability to stand up to the pressures of the competition and market forces in the European Union. With regard to the economic criteria, the Commission's message to Iceland must be to develop a credible fiscal strategy from now on and to remedy its current economic weaknesses by implementing appropriate macroeconomic policies.

Turning to the political criteria, Mr FÜLE said that, despite a few matters still to be resolved, Iceland, with its long democratic tradition, clearly complied with the accession criteria. Nevertheless, he identified certain outstanding issues in relation to the independence of the judicial system, in particular the predominant role played by the Minister of Justice in appointing judges. Following the financial crisis, mechanisms designed to reduce conflicts of interest must also be further reinforced.

In relation to the requirements concerning the *acquis*, Mr FÜLE pointed out that Iceland had been a member of the EEA for sixteen years, which meant that European legislation had largely been implemented. However, some areas were not covered by the EEA, such as agriculture, fisheries and the environment, so these chapters would probably pose the biggest challenge during the accession

negotiations.

Going back to the question of the Icelandic bank, Icesave, Mr FÜLE said that the opinion referred to this case without, however, expressing a view on the substance since the negotiations in progress between Iceland, on the one hand, and the United Kingdom and the Netherlands, on the other, concerning the fallout from the collapse of this bank was a bilateral matter between these countries.

Referring to Chapter 9 of the analytic report, which dealt with financial services and contained a purely factual account of the Icesave case, he explained that the assessment of Iceland's compliance with its obligations as a member of the EEA was the direct responsibility of the European Free Trade Association Surveillance Authority. Several complaints had been lodged with this Authority following the collapse of the Icelandic banking system and investigations were under way, but it was not the Commission's job at this stage to prejudge the conclusions that might be drawn by the Surveillance Authority or the EFTA Court.

Mr FÜLE concluded by recalling that, once the opinion had been adopted by the Commission, the Member States would have to decide whether or not to launch accession negotiations with Iceland. If the European Council decided to do so, the Commission would have to prepare the negotiating framework which would then be adopted by the Council. It was only then that the accession negotiations, which would include a detailed examination of the *acquis*, could commence. Referring to previous negotiations with EEA members Sweden, Finland and Austria, he pointed out that the length of the negotiation process differed for each applicant country.

Lastly Mr FÜLE thanked the PRESIDENT for his announcement that a policy debate on enlargement would be held in future. He was ready to work with the PRESIDENT and his *cabinet* to find a suitable date and to prepare the debate as thoroughly as possible.

The Commission then held an exchange of views, during which it expressed wide support for the opinion and its balanced nature and focused in particular on the following points:

- the need to hold a policy debate soon to examine in more detail the issues relating to future enlargement strategy, and the importance of placing greater emphasis on the positive impact of the most recent enlargements, both for the new Member States and accession countries and for the European Union as a whole;
- the importance of stressing that the opinion was based on the accession criteria and on the candidate country's capacity to implement the EU *acquis* and that the bilateral issues outstanding at this stage should be settled outside the accession negotiations between Iceland and the EU by the competent bodies and in particular in the proceedings under way before the EFTA Surveillance Authority; it was important too that the Commission's opinion in no way prejudiced these proceedings or the outcome thereof;
- the observation that, although Iceland already applied much of the EU *acquis* as a member of the EEA, this would not lead to any fast-track negotiation procedure, as the Commission wanted to make it clear that the principles applied in the negotiations with Iceland were the same as for other candidate countries, and it would take care to ensure that the candidate country concerned scrupulously applied all the accession criteria;
- recognition of Iceland's democratic tradition, but also of the need to insist on the effective independence of the judicial authorities, which was currently the subject of some debate, and of the importance of taking into account for each negotiating chapter the Charter of Fundamental Rights of the European Union and the EU's future accession to the European Convention on Human Rights;
- the observation that Iceland and the European Union shared common interests, the major contributions which Iceland could make to the EU's arctic dimension and the constructive impact of its accession not only for the other Nordic countries, but also in areas such as fisheries or geothermal energy in the context of action against climate change;
- the link with the proposal for a Council decision currently in preparation

providing for macrofinancial aid to Iceland of €300 million under Article 212 of the Treaty on the Functioning of the European Union.

The PRESIDENT thanked Mr FÜLE for his presentation and the other Members of the Commission for their comments and again praised the quality of the work carried out by the Directorate-General for Enlargement and the other departments that had helped draw up the opinion. He stressed that the aim here was to assess, on the basis of objective criteria, Iceland's capacity to become a member of the European Union and he highlighted the importance of appropriate communication vis-à-vis the Member States and European public opinion, taking into account the generally positive impact of the most recent enlargements.

Following this exchange of views, the Commission adopted the opinion set out in COM(2010)62/3, for transmission to Parliament and the Council, and, for information, to the national parliaments, together with the analytic report set out in staff paper SEC(2010)153/2, the contents of which were noted.

11. OTHER BUSINESS

PREPARATION OF COMMISSION SEMINAR ON 25 AND 26 FEBRUARY

The PRESIDENT touched briefly on the organisational arrangements for the Commission seminar to be held on 25 and 26 February in Bruges. The event would begin at 17.00 on Thursday with an in-depth discussion of the Europe 2020 strategy, followed by an initial exchange of views on the Commission's legislative and work programme.

He took the opportunity to stress the importance attached to 'Europe 2020' by the EU Presidency-in-Office and looked ahead to the forthcoming Spring European Council.

*

* *

The meeting closed at 9.35.