



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2012)2006 final

Brussels, 27 June 2012

MINUTES
of the 2006th meeting of the Commission
held in Strasbourg
(Winston Churchill building)
on Tuesday 12 June 2012
(afternoon)

PV(2012)2006 final

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Single sitting: Tuesday 12 June 2012 (afternoon)

The sitting opened at 13.07 with Mr Barroso, President, in the chair.

Present:

Mr BARROSO	President	
Baroness ASHTON	High Representative/ Vice-President	Items 1 to 7 (in part)
Ms REDING	Vice-President	
Mr ALMUNIA	Vice-President	
Mr KALLAS	Vice-President	
Ms KROES	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr REHN	Vice-President	
Mr POTOČNIK	Member	
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	
Mr DALLI	Member	
Ms GEOGHEGAN-QUINN	Member	
Mr LEWANDOWSKI	Member	
Ms GEORGIEVA	Member	Items 1 to 7 (in part)
Mr HAHN	Member	Items 1 to 7 (in part)
Ms HEDEGAARD	Member	
Mr FÜLE	Member	
Mr ANDOR	Member	
Ms MALMSTRÖM	Member	

Absent:

Mr TAJANI	Vice-President
Mr PIEBALGS	Member
Mr BARNIER	Member
Ms VASSILIOU	Member
Ms DAMANAKI	Member
Mr OETTINGER	Member
Mr CIOLOŞ	Member

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

Ms BARTOLINI	A member of Mr TAJANI's staff	
Ms SOEWARTA	A member of Mr PIEBALGS's staff	
Mr RIEKELES	A member of Mr BARNIER's staff	Items 1 to 7 (in part)
Mr COMPTOUR	A member of Ms VASSILIOU's staff	
Mr GIOTAKOS	A member of Ms DAMANAKI's staff	
Ms ROGALSKA	A member of Mr OETTINGER's staff	

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr VANDERSTEEN	Deputy Director-General (acting), DG Communication	
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr THEBAULT	Head of the Bureau of European Policy Advisers	
Ms MARTÍNEZ ALBEROLA	Adviser in the PRESIDENT's Office	
Mr KLAUS	A member of the PRESIDENT's staff	Items 1 to 7 (in part)
Mr CEBALLOS BARÓN	A member of Baroness ASHTON's staff	Item 7 (in part)
Mr LAHTI	Adviser in Mr REHN's Office	Item 7 (in part)

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

1. AGENDAS

(OJ(2012)2006/FINAL; SEC(2012)357/2)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF CHEFS DE CABINET

(RCC(2012)2006)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 11 June.

3. APPROVAL OF THE MINUTES OF THE 2004TH MEETING OF THE COMMISSION (30 MAY) AND THE MINUTES OF THE 2005TH MEETING (6 JUNE)

(PV(2012)2004 TO /3)

The Commission approved the minutes of its 2004th meeting and decided to hold over for one week approval of the minutes of its 2005th meeting.

4. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

STATE AID – INDIVIDUAL CASES

(SEC(2012)367/2; RCC(2012)40)

The Commission adopted the decisions in SEC(2012)367/2.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2012)358 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 4 and 8 June.

5.2. EMPOWERMENT

(SEC(2012)359 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 4 and 8 June.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2012)360 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 4 and 8 June, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2012)361)

The Commission took note of the sensitive written procedures for which the time limit expired between 11 and 15 June.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2012)362)

ADMINISTRATIVE MATTERS

(PERS(2012)72)

**6.1. DG RESEARCH AND INNOVATION – TERMINATION OF SELECTION PROCEDURE FOR THE POST OF DIRECTOR OF THE JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY (FUSION FOR ENERGY – F4E) AND EXTERNAL PUBLICATION OF A VACANCY NOTICE FOR AN AD14 DIRECTOR POST
(PERS(2012)54 TO /4; PERS(2012)73)**

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr OETTINGER, the Commission decided:

- to terminate the internal selection procedure COM/2011/10319 for the post of Director of the Joint Undertaking for ITER and the Development of Fusion Energy (Fusion for Energy – F4E) in Barcelona, without making an appointment;
- to authorise the publication, under Article 29(2) of the Staff Regulations, of the amended vacancy notice in PERS(2012)73.

These decisions would take effect immediately.

**6.2. DG DEVELOPMENT AND COOPERATION – EUROPEAID / DG HUMAN RESOURCES AND SECURITY – JOINT DECISION BY THE COMMISSION AND THE HIGH REPRESENTATIVE OF THE EUROPEAN UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY ESTABLISHING A HIGH LEVEL TRAINEESHIP PROGRAMME IN THE DELEGATIONS OF THE EUROPEAN UNION AND THE RULES GOVERNING THIS PROGRAMME IN PARTNERSHIP WITH THE MEMBER STATES OF THE EUROPEAN UNION
(JOIN(2012)17)**

The Commission took note of the information at point 2 of PERS(2012)72 and adopted the joint decision set out in JOIN(2012)17, noting that it would not enter into force until it had been adopted by the Commission and the High

Representative.

The Commission also authorised the Director-General of DG Development and Cooperation - EuropeAid and the Director-General of DG Human Resources and Security to agree on the detailed implementing arrangements together with the Chief Operating Officer of the European External Action Service.

7. INTERINSTITUTIONAL RELATIONS (RCC(2012)65)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group held on Friday 8 June (RCC(2012)65).

It paid particular attention to the following points.

7.1. *LEGISLATIVE MATTERS*

i) Ordinary legislative procedure (point 1.2 of the IRG record)

Dossiers at Parliament first reading

- European venture capital funds (Regulation) – LAMBERTS report – 2011/0417 (COD) / European social entrepreneurship funds (Regulation) – AUCONIE report – 2011/0418 (COD)

The Commission approved the line set out in SI(2012)275/2.

- Amendment of Directives 2003/71/EC and 2009/138/EC in respect of the powers of the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority (Directive) – BALZ report – 2011/0006 (COD)

The Commission approved the line set out in SI(2012)266.

(12 June 2012)

- Energy efficiency and repeal of Directives 2004/8/EC and 2006/32/EC (Directive) – TURMES report – 2011/0172 (COD)

The Commission approved the line set out in SI(2012)267/2.

- Permitted uses of orphan works (Directive) – GERINGER DE OEDENBERG report – 2011/0136 (COD)

The Commission approved the line set out in SI(2012)287/2.

- Minimum standards on the rights, support and protection of victims of crime (Directive) – JIMÉNEZ-BECERRIL BARRIO / PARVANOV reports – 2011/0129 (COD)

The Commission approved the line set out in SI(2012)269/2.

- Amendment of Regulation (EC) 1049/2001 regarding public access to European Parliament, Council and Commission documents (Regulation) – CASHMAN report – 2011/0073 (COD)

The Commission approved the line set out in SI(2012)277.

- European Year of Citizens (2013) (Decision) – PAPADOPOULOU report – 2011/0217 (COD)

The Commission approved the line set out in SI(2012)285.

- Multiannual financial framework 2014-2020 – Cohesion policy legislative package

The Commission approved the line set out in SI(2012)270/2.

- Conditions of entry and residence of third-country nationals in the framework of an intra-corporate transfer (Directive) – IACOLINO / JAAKONSAARI reports – 2010/0209 (COD)

The Commission approved the line set out in SI(2012)271/2.

- European standardisation – Amendment of Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC of the European Parliament and of the Council (Regulation) – COMI report – 2011/0150 (COD)

The Commission approved the line set out in SI(2012)278.

- Marketing and use of explosives precursors (Regulation) – MULDER report – 2010/0246 (COD)

The Commission approved the line set out in SI(2012)282.

- Agricultural product quality schemes (Regulation) - GARCÍA PÉREZ report – 2010/0353 (COD)

The Commission approved the line set out in SI(2012)283.

Dossier at second reading

- Single European railway area (Directive – recast) – SERRACCHIANI report – 2010/0253 (COD)

The Commission approved the line set out in SI(2012)273/3.

ii) Non-legislative procedure

(point 1.3 of the IRG record)

- Position to be adopted on behalf of the European Union with regard to certain resolutions to be voted on in the International Organisation of Vine and Wine (Council Decision) – 2012/0095 (NLE)

The Commission approved the line set out in SI(2012)290/2.

iii) Preparation of Parliament's June part-session

(point 1.5 of the IRG record)

Ordinary legislative procedure – First reading

- Scheme of generalised tariff preferences (Regulation) – FJELLNER report – 2011/0117 (COD)

The Commission approved the line set out in SP(2012)439.

7.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iv) Programming of Council business

(SI(2012)291)

The Commission took note of the information in SI(2012)291 on the Council meetings between 14 and 27 June.

v) Preparation of Council meeting (Employment, Social Policy, Health and Consumers) (Luxembourg, 21 and 22 June)

(point 2.3.7 of the IRG record)

- Multiannual financial framework 2014-2020 – Health for Growth Programme, the third multi-annual programme of EU action in the field of health for the period 2014-2020 (Regulation) – GROSSETÊTE report – 2011/0339 (COD)

The Commission approved the line set out in SI(2012)289/2.

vi) Preparation for European Council (Brussels, 28 and 29 June)

By way of introduction, the PRESIDENT underlined how important this discussion was since it was taking place at a particularly sensitive time for the European Union and was aimed primarily at preparing, with the assistance of the Commission Members, the forthcoming European Council summer meeting and the speech before Parliament's plenary session during the week.

Despite the reforms agreed on, the Member States were still feeling the full brunt of the negative effects of the unbridled events occurring in the euro area and the lack of a long-term or global response. Given the fact that this was a

systemic problem, it was important for Europe to know exactly what direction to take. The Commission had prepared and proposed a comprehensive approach which, as it had pointed out in the Communication approved on 30 May, included in particular the assistance given to Greece and other Member States where necessary, the introduction of financial firewalls, an initiative to promote jobs and growth, the reform of the financial sector and the building of a tighter economic union for the future.

The PRESIDENT went on to say that he was expecting rapid results from the European Council on several fronts, mainly a clear endorsement of the fiscal and macroeconomic recommendations for each country, which the Commission would ensure were not watered down. Parliament would be asked to keep political pressure on Member States so that they shouldered their responsibilities in this respect.

He also wanted agreement by the European Council on a growth initiative based on the ideas and principles put forward by the Commission at the informal meeting of the European Council on 23 May, for instance increasing the capital of the European Investment Bank or improving the targeting of the Structural Funds. He also hoped that the European Council and the Council would reach agreement on the principle or on the need to examine several other major proposals by the Commission to boost jobs and growth in Europe, in particular European project bonds to finance major infrastructure projects, the deepening of the single market with digital identification and signatures, the strengthening of the governance of the internal market, the tapping of all the potential of the Services Directive and lastly the European patent, on which Member States must reach final agreement as soon as possible.

The PRESIDENT then turned to the importance of sound public finances, of structural reforms promoting competitiveness and of targeted investments, and once again advocated a budget for the European Union that would be a genuine instrument for jobs, growth and competitiveness in Europe, in tandem with the objectives of the Europe 2020 strategy. Apart from the question of the volume of this European budget, it was necessary to emphasise the aspects

relating to its structure, modernisation, simplification and added value, all of which he felt would be broadly agreed by both the Commission and Parliament.

He made it clear that he intended to confront Member States with their contradictory ideas at the European Council meeting, in particular those wanting more growth in Europe while at the same time calling for a reduction in the volume of the European budget, which, in some cases, was in fact the main source of financing for their own investments.

The PRESIDENT also said that the European Council would have to decide on the next steps towards real economic and monetary union (EMU), a topic that had been discussed beforehand at the informal European Council meeting. The PRESIDENT stated that he was working closely on this matter with Herman Van Rompuy, Mario Draghi and Jean-Claude Juncker with a view to proposing an ambitious and realistic step forward to reinforce EMU, in line with a working method based on solidarity and responsibility, and in the context of a process forming part of the Community method.

The three stages for the future would be a banking union, then a fiscal union and finally a political union. In the short term, very decisive progress could be made quickly in relation to a banking union, without changing the Treaty. This should therefore be a priority for all.

After witnessing the failure of the intergovernmental method in the banking sector, the PRESIDENT said that, for the first stage of this banking union, the Council would have to speed up the adoption of the proposals that were pending, in particular those concerning the European single rule book, the rules on capital requirements and guaranteeing deposits, and bank resolutions, which would by necessity be based on solidarity involving a lending mechanism and the pooling of national measures in cases of transnational bank resolutions. He added that a second stage could then be usefully based on the proposals the Commission intended to table in the coming months in order to tighten up European banking supervision and introduce a common

deposit guarantee and bank resolution fund.

However, he felt that in order to take advantage of all the benefits of deepening monetary union and developing a banking union, the economic and fiscal union should be reinforced at the same time. The first step in this process, in the very near future, would be to establish real coordination of the fiscal and economic policies of Member States through the European Semester.

Three additional stages would then be necessary to make headway in this domain: (i) the development of financial backstops in the context of the European Financial Stability Facility (EFSF) and its successor, the European Stability Mechanism (ESM), in order to enhance Europe's financial intervention capacity; (ii) the continuation of discussions on the partial pooling of sovereign debt through stability bonds which would, he pointed out, involve tighter coordination and supervision of national budgets, as the Commission had already stated in its Green Paper of November 2011, for which a roadmap and implementation schedule would now need to be drawn up; and (iii) the need to seek other potential options to reinforce fiscal integration, for instance, in the longer term, a combination of a bigger European budget and stronger solidarity mechanisms.

In conclusion, the PRESIDENT stressed the importance of a high degree of political consensus on all these issues and the need to complete EMU by means of mechanisms guaranteeing its democratic accountability and legitimacy, thereby laying the basis for the future political union. He added that this political union must extend over the same area as the European Union and stressed that the euro was the currency of the Union, despite the decision of several Member States not to participate in the euro area.

It was important to avoid any ambiguity in institutional issues and to instil more clarity and determination. It was also important to defend the euro and a stronger Union and to propose an adjusted timescale, drawing a distinction between what could be achieved now and later. The Commission must act

responsibly and decisively and show solidarity.

Before giving the floor to Mr REHN, he pointed out that these various building blocks would be re-examined at the European Council and that at this stage nothing had yet been decided concerning the report on which he was to work with Mr Van Rompuy, Mr Draghi and Mr Juncker. He would keep the Commission Members regularly informed on the progress made on this report.

Mr REHN wholeheartedly endorsed the PRESIDENT's words on the policy line to be followed by the Commission in the procedure under way. He referred briefly to the most immediate challenges facing the Union, namely the situation in Greece and the preparation of the next steps that could be taken in the short term to deepen EMU. This last challenge would need an affirmation of the Member States' unequivocal political will and commitment, which would restore public and investors' confidence in the future of the euro. With regard to Greece, he confirmed the Commission's determination to help to keep it in the euro area provided that it honoured its commitments regarding implementation of the structural reform needed to restore growth.

He went on to present the agreement reached by the Eurogroup during its meeting on Saturday to grant Spain the aid it needed to bail out and restructure its banking sector. The International Monetary Fund (IMF) had estimated the sector's recapitalisation needs at €40 billion, but the Eurogroup had decided to make €100 billion available to provide a safety margin. Two independent evaluations were under way to establish the capital requirements of the Spanish banks. Once the result was known, the Commission, the European Central Bank and the IMF would make an in-depth analysis of the restructuring and recapitalisation required by the Spanish banking sector. He confirmed that the conditions for this financial aid related only to the banking and financial sectors. The measures taken by the European Union to help Spain with budgetary policy or structural reform would be laid down as part of stronger economic governance, in particular as regards excessive deficit procedures and macroeconomic imbalances. This aid would be funded either

by the European Financial Stability Facility (EFSF) or the European Stability Mechanism (ESM), or even by both these instruments. The Eurogroup would subsequently decide on this question in connection with the timescale for the implementation of ESM and certain issues relating to ranking of creditors.

M. REHN also explained the specific situation in Cyprus.

Returning to the question of deeper EMU, he emphasised that no isolated measure would provide a lasting solution. Mutualisation of the debt required closer budgetary integration. This in turn would mean further surrender of sovereignty in the name of closer European coordination, which was possible only in the medium term.

Strengthening the financial union was one measure that could be carried out in the shorter term to bring about deeper EMU. He also called for a European banking union to sever the link between Member States and banks, strengthen the supervision of credit institutions of systemic importance, establish a single banking authority and introduce a common bank-deposit guarantee system. He said that the objective should be to create this banking union for the 27 Member States, while indicating that the euro area countries must be able to move forward more rapidly if they wished.

Referring to the negotiations on the multiannual financial framework, Mr LEWANDOWSKI reported on the results of the informal meeting of Ministers and State Secretaries for European Affairs in Horsens, Denmark, on 10-11 June, which he had attended with Mr ŠEFČOVIČ. He noted that the Danish Presidency had presented a revised version of its 'negotiation box' and welcomed the fact that this document now contained all the components of the revenue and expenditure of the multiannual financial framework and, with regard to modernisation of own resources, kept the option of the tax on financial transactions and the proposed value-added tax as presented by the Commission. However, he voiced concerns regarding the question of "commitments outstanding", the introduction of a sub-heading under heading 1 of the multiannual financial framework in order to include the ITER project

and the GMES and Galileo programmes, and the abolition of the European Globalisation Adjustment Fund and the contingency reserve. In addition, he regretted the proposal to integrate the Solidarity Fund and the reserve for emergency aid into the multiannual financial framework, since use of that reserve, by its nature, could not be programmed. In conclusion, he stressed that it was important for the debates of the June European Council to focus on the quality of expenditure and to adopt a clear position in order to link this financial framework to the European growth strategy.

Mr ŠEFČOVIČ stressed the importance of the European Parliament in the negotiations on the multiannual financial framework. He reminded the meeting that although Parliament's role in the adoption of the regulation establishing this framework was limited to giving its consent, the ordinary legislative procedure applied to the adoption of the sectoral measures implementing it. He reviewed the issues addressed at Horsens, in particular the different standpoints of the Member States on the reform of own resources, cohesion policy and the integration of climate change issues in various policies, and the €100 billion reduction in the multiannual financial framework demanded by certain Member States. He was confident that all the Member States would support the capital increase for the European Investment Bank and that, in the framework of the growth pact, they were prepared to discuss a deeper single market, improved energy efficiency and the issue of trade and free trade agreements.

Ms MALMSTRÖM reported briefly on the results of the Justice and Home Affairs Council on 7 and 8 June and the two Commission proposals for regulations on the establishment of an evaluation and monitoring mechanism to verify the application of the Schengen *acquis* and on the amendment of Regulation (EC) 562/2006 in order to provide for common rules on the temporary reintroduction of border control at internal borders in exceptional circumstances.

She noted that the proper functioning of the Schengen system depended on mutual trust and an appropriate evaluation system. The evaluation therefore

had to be carried out with the help of the Member States and to be coordinated by the Commission, given that its legal basis was Article 77 of the Treaty on the Functioning of the European Union (TFEU). Consequently she deplored the unanimous decision by the Member States to change the legal basis of the Commission's proposal from Article 77 to Article 70 TFEU and to propose evaluation by their peers. This decision had both legal and political implications, and the European Parliament had already stated its intention of referring the matter to the Court of Justice.

She also referred to another decision that had been taken on border controls which was unsatisfactory in the Commission's view, in that it reduced the scope for intervention at European level regarding the reintroduction of controls decided by a Member State. However, this point was covered by the ordinary legislative procedure and was therefore very likely to be vigorously opposed by Parliament during the interinstitutional negotiations on the subject.

The Commission then held an exchange of views focusing on the following main points:

- the need for the Member States to support a decisive step forward and to demonstrate an unwavering determination to maintain the single currency by strengthening economic and monetary union (EMU), and to conduct a convincing communication campaign about this objective;
- the fact that piecemeal decisions and unjoined-up action could not provide a lasting solution and were likely to jeopardise the very credibility of Europe's commitment; in this context, the suggestion of setting up a committee of wise men or similar structure to consider the future of Europe and open the way to political union;
- the need to clarify the issues and explain that the political objective of closer EMU must go hand in hand with enhancing the democratic legitimacy of the parties concerned;

- the need for firm action by the Commission and a reminder that before any major advance there was always an element of tension between the Community method and the temptation for the Member States to turn to intergovernmental mechanisms instead;
- the importance, too, of securing the Member States' full support for the stages in building the proposed new structures, which would require the Commission to weigh up its new initiatives carefully, taking into account the political realities at national and European level;
- the case for strengthening EMU in an overall framework of 27 Member States in order not to isolate Member States who were not yet members of the euro area but were committed to joining in future;
- the belief that the Commission's banking resolution proposal was a step in the right direction but was not sufficient in itself, and hence the need to press ahead with centralised supervision of credit institutions and the implementation of a common system of bank deposit guarantees in order to create a banking union; further questions about the Commission's position and initiatives in this respect;
- the fact that only the European Central Bank would have sufficient leverage to act as supervisor of the credit institutions and that the current treaty did allow scope for prudential supervision tasks to be entrusted to it;
- the need to balance the new transfers of sovereignty envisaged with greater social cohesion, and a reminder that social and employment policy remained an essential part of a new EMU architecture in order to enhance its legitimacy; the need to step up the interaction between the Commission and the European Parliament and national parliaments to discuss these questions;
- in this connection, a call for the Commission to outline proposals for closer coordination of social and employment policy in the euro area;

- a call for the Commission to present a practical programme to stimulate growth, and the need to place greater emphasis on areas that could contribute directly to growth and job creation, such as information and communication technologies and particularly improvements in broadband infrastructure, the Connecting Europe Facility, online payments and the reform of copyright;
- the importance of publicising best practice in the various Member States in these areas; similarly, the role of key enabling technologies in launching structural reforms in the manufacturing sector;
- a number of questions about the mechanism used for the financial aid that could be granted to Spain and how this was to be transferred to the Spanish banks;
- on the subject of the mechanism for evaluating the Schengen acquis, questions about whether it might be politically expedient for the Commission to withdraw the two proposals in question, if it felt that they had been fundamentally altered, or to bring an action before the Court of Justice.

Ms MALMSTRÖM said that at this stage the Commission did not wish to withdraw its two proposals or to bring an action before the Court of Justice, although, as it had stated in a declaration, it reserved the right to do so depending on future developments in this matter.

In reply to the questions on the mechanism for transferring the aid to be granted to the Spanish banking sector, Mr REHN explained that the European loan would be paid to Spain's public fund for orderly bank restructuring (FROB), which would then allocate the funding to Spanish banks that requested it.

The PRESIDENT thanked the Members of the Commission for their contributions and comments and said that the Commission would discuss

these issues again as part of more detailed preparations for the next European Council.

On the Schengen question, he supported the approach advocated by Ms MALMSTRÖM and stressed that the Commission would react if necessary, but without being overzealous or overhasty.

As regards the future of economic and monetary union, he felt it was important to combine realism with ambition. The Member States had shown great political prudence on this issue, entrusting Mr Van Rompuy with the task of producing a report, in close collaboration with not only the Commission President, but also the President of the European Central Bank, Mr Draghi, and the President of the Eurogroup, Mr Juncker. He explained that the procedure being followed – which differed for example from that of a committee of wise men – fully safeguarded the role of the Commission and its ability to make bold and innovative proposals.

Winding up, the PRESIDENT spoke about the level of ambition that would be required to determine the future shape of the European Union. In the current situation it was important to keep calm, but simply preserving the status quo would not achieve anything either; it was better instead to move forward with pragmatism and determination, tackling one stage after another over the short, medium and longer term.

He ended by saying that Europe was at a crossroads and must press ahead boldly, displaying the political courage to rise above old divisions and overcome inaction in some quarters. He pointed once again to the proposals already put forward by the Commission which still had to be adopted, and stressed that, if this great European project was to become a reality, the European Parliament and the Member States would have to be closely involved.

The Commission took note of this information.

7.3. RELATIONS WITH PARLIAMENT

vii) Towards a job-rich recovery – Declaration by the Commission

The Commission took note of document SP(2012)425/2.

viii) Action taken on non-legislative resolutions adopted by Parliament at its March II part-session

(point 3.5.1 of the IRG record)

The Commission approved document SP(2012)426 on the action taken on the non-legislative resolutions adopted by Parliament at its March II part-session, for transmission to Parliament.

7.4. EXTERNAL RELATIONS

ix) Human rights and democracy at the heart of EU external action – Towards a more effective approach [EU Strategic Declaration / EU Action Plan on Human Rights and Democracy]

(point 5.1 of the IRG record)

The Commission approved the line set out in SI(2012)279/2.

7.5. OTHER BUSINESS

x) Conclusions of the work of the Inter-Institutional Working Group on decentralised agencies – Draft joint statement and common approach between the European Parliament, the Council and the Commission

(point 7.1 of the IRG record)

The Commission approved the line set out in SI(2012)268/2 and the joint statement and common approach set out in the annex to that note.

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The meeting closed at 15.21.