



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2013) 2044 final

Brussels, 15 May 2013

MINUTES
of the 2044th meeting of the Commission
held in Brussels
(Berlaymont)
on Tuesday 2 May 2013
(morning)

PV(2013) 2044 final

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Single sitting: Thursday 2 May 2013 (morning)

The sitting opened at 9.14 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Mr ALMUNIA	Vice-President	
Mr TAJANI	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr POTOČNIK	Member	
Mr PIEBALGS	Member	Item 7 (in part)
Mr BARNIER	Member	
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	
Mr LEWANDOWSKI	Member	
Ms GEORGIEVA	Member	
Mr OETTINGER	Member	
Mr HAHN	Member	Item 7 (in part)
Ms HEDEGAARD	Member	
Mr ANDOR	Member	
Ms MALMSTRÖM	Member	
Mr BORG	Member	

Absent:

Baroness ASHTON	High Representative/ Vice-President
Ms REDING	Vice-President
Mr KALLAS	Vice-President
Ms KROES	Vice-President
Mr REHN	Vice-President
Ms VASSILIOU	Member
Ms GEOGHEGAN-QUINN	Member
Ms DAMANAKI	Member
Mr FÜLE	Member
Mr CIOLOŞ	Member

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

Mr CEBALLOS BARÓN	A member of Baroness ASHTON's staff	
Mr SHOTTER	A member of Ms REDING's staff	
Mr FITCH	Deputy Chef de cabinet to Mr KALLAS	
Mr VAN ORANJE-NASSAU	Chef de cabinet to Ms KROES	
Mr PESONEN	Chef de cabinet to Mr REHN	Item 7 (in part)
Mr HILL	Deputy Chef de cabinet to Ms VASSILIOU	
Mr BELL	Chef de cabinet to Ms GEOGHEGAN-QUINN	
Mr GIOTAKOS	A member of Ms DAMANAKI's staff	
Mr MORDUE	Chef de cabinet to Mr FÜLE	
Ms OBST	A member of Mr CIOLOŞ's staff	

The following also sat in:

Mr SOBRAL	Deputy Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr VANDERSTEEN	Deputy Director-General (acting), DG Communication	
Mr DOENS	Head of the Commission Spokesperson Service	Items 1 to 7 (in part)
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr THEBAULT	Head of the Bureau of European Policy Advisers	Item 7 (in part)
Ms VANNINI	Adviser in the PRESIDENT's Office	
Ms JAROSZ-FRIIS	A member of Mr ALMUNIA's staff	
Mr RAZAALY	A member of Mr PIEBALGS's staff	Items 1 to 7 (in part)
Mr GAMBS	Chef de cabinet to Mr HAHN	
Mr ITALIANER	Director-General of DG Competition	

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

1. AGENDAS

(OJ(2013) 2044/FINAL; SEC(2013) 231/2)

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(2013) 2044)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 29 April.

3. MINUTES OF 2043RD MEETING (24 APRIL)

(PV(2013) 2043)

The Commission held over approval of the minutes of its 2043rd meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS

4.1. LEGISLATIVE MATTERS

- i) Multiannual Financial Framework 2014-2020 – Erasmus for all – The Union Programme for Education, Training, Youth and Sport (Regulation) – PACK report – 2011/0371 (COD)**

The Commission approved the line set out in SI(2013) 218 and /4.

- ii) Position to be adopted, on behalf of the European Union, at the International Maritime Organization (IMO) with regard to the**

**adoption of certain Codes and related amendments to Conventions
(Council Decision) – 2013/0111 (NLE)**

Position to be adopted on behalf of the European Union at the 65th session of the Marine Environment Protection Committee of amendments to forms A and B of the International Oil Pollution Prevention Certificates and amendments to the Condition Assessment Scheme and at the 92nd session of the Maritime Safety Committee of amendments to the International Safety Management Code and amendments to SOLAS chapter III and the High Speed Craft Codes 1994 and 2000 concerning enclosed space entry and rescue drills (Council Decision) – 2013/0112 (NLE)

The Commission approved the line set out in SI(2013) 220.

- iii) Recommendation from the Commission to the Council to authorise the Commission to open negotiations on linking the EU emissions trading scheme with an emissions trading system in Australia – COM(2013) 16**

The Commission approved the line set out in SI(2013) 221/2.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

- iv) Programming of Council business**
(SI(2013) 222)

The Commission took note of the information in SI(2013) 222 on the Council meetings between 2 and 15 May.

5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

STATE AID – INDIVIDUAL CASES

(SEC(2013) 247; SEC(2013) 238; RCC(2013) 59)

The Commission adopted the decisions in SEC(2013) 247.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED

(SEC(2013) 232 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 22 and 26 April.

6.2. EMPOWERMENT

(SEC(2013) 233 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 22 and 26 April.

6.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2013) 234 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 22 and 26 April, as archived in e-Greffe.

6.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2013) 235)

The Commission took note of the sensitive written procedures for which the time limit expired between 29 April and 3 May.

6.5. GRANTING OF A GENERAL EMPOWERMENT FOR THE APPLICATION OF REGULATION (EC) 1224/2009 ESTABLISHING A COMMUNITY CONTROL SYSTEM FOR ENSURING COMPLIANCE WITH THE RULES OF THE COMMON FISHERIES POLICY, AMENDING REGULATIONS (EC) 847/96, (EC) 2371/2002, (EC) 811/2004, (EC) 768/2005, (EC) 2115/2005, (EC) 2166/2005, (EC) 388/2006, (EC) 509/2007, (EC) 676/2007, (EC) 1098/2007, (EC) 1300/2008, (EC) 1342/2008 AND REPEALING REGULATIONS (EEC) 2847/93, (EC) 1627/94 AND (EC) 1966/2006 (C(2013) 2450)

The Commission granted the general empowerment set out in C(2013) 2450 to the Member of the Commission responsible for fisheries for the adoption, on behalf of the Commission and under its responsibility, of certain decisions concerning the application of Regulation (EC) 1224/2009 on fisheries control.

7. POLICY DEBATE ON THE MODERNISATION OF REGIONAL STATE AID (SEC(2013) 243; RCC(2013) 60)

The PRESIDENT noted that the purpose of the policy debate that day on modernising regional state aid was to contribute to the forthcoming proposal to revise the regional aid guidelines. The debate focused on two specific issues: (i) the coverage ratio of the total population eligible for regional aid and (ii) whether large companies in less disadvantaged regions should be eligible for investment aid. The aim was to work out a balanced approach within the general framework of the modernisation of state aid policy being undertaken by the present Commission.

This was a complex process which involved the revision of the main regulatory instruments, some of which, like aid for research, innovation or environmental protection, had a direct link with regional state aid. The simplification of the General Block Exemption Regulation (GBER) would also have a direct impact on

disadvantaged regions.

The PRESIDENT wound up his introduction by stressing that regional state aid could play a key role in reducing regional disparities and act as a tool to promote growth, investment and jobs in disadvantaged regions.

Mr ALMUNIA, for his part, recalled that the Commission had launched the project to modernise state aid policy in May 2012 with the declared objective of stimulating growth in the internal market and bringing the various guidelines into line with the Europe 2020 strategy and its flagship initiatives, in order thereby to encourage Member States to steer the available public resources towards common priorities. The strategy being pursued also aimed to improve and simplify the monitoring of state aid by the Commission, to enable it to concentrate its efforts on cases with a major impact on the working of the internal market and on better analysis of questions like the incentive effect of aid.

He also discussed the link between structural funds and state aid, insisting that the revision of regional state aid rules would contribute to the effective implementation of cohesion policy under the Multiannual Financial Framework for 2014-2020. As regards the timetable for the next stages, the new guidelines on regional state aid would be presented to the Commission for adoption in June, allowing the Member States time to prepare the aid maps for the new period, which would start in January 2014.

Mr ALMUNIA presented, firstly, his proposals concerning the coverage of the total population eligible for regional state aid. He explained that the aim was to allow Member States to accommodate the particular situation of regions bordering convergence regions and to take into consideration the asymmetric impact of the economic crisis on the Member States and, within them, on the various regions.

He then turned to the question of regional state aid for investment by large companies in 'c' areas (the less disadvantaged regions, covered by Article 107(3)(c) of the Treaty on the Functioning of the European Union). The data and research available showed that this aid did not act as an incentive for such companies. He

therefore recommended a balanced approach that would allow the possibility of granting aid to large companies in ‘c’ areas provided they gave rise to greenfield investments or new products. However, regional investment aid was more effective when it targeted SMEs, because they had trouble accessing credit and could not easily relocate their operations.

By way of conclusion, Mr ALMUNIA stressed the need to use public money in an appropriate way, the main objective being to concentrate aid on situations in which the market was failing and on objectives of common interest, while avoiding the granting of ‘inappropriate aid’ that distorted competition, harmed innovation, delayed the necessary adjustments and fragmented the internal market.

In the course of the ensuing debate, the Commission expressed broad support for the objectives pursued by the modernisation of regional state aid, i.e. taking better account of the current requirements for economic growth, structural adjustments, job creation and increased competitiveness of the European Union; with regard to population coverage, the vast majority of the Members of the Commission approved the ideas put forward and agreed on the importance of providing responses to the particular circumstances of certain border regions and of outermost and island regions; concerning the eligibility of large companies in ‘c’ areas, there was support for a pragmatic approach, but a reminder of the importance of clear definitions of the conditions set and a call for the policy to take account of the variety of the industrial fabric in the Member States and the knock-on effect of the activities of large companies on the SMEs in their environment; lastly, concerning the interaction between the RAG and other sectoral guidelines or European rules, Members cited the need to ensure greater consistency between state aid policy, the Structural Funds and the other European support instruments.

Mr ALMUNIA thanked the Commission Members for their comments and suggestions. He stressed that the modernisation of the regional state aid framework would create clear guidelines for Member States and stakeholders concerning the future conditions for eligibility. Although provisionally scheduled for January 2014, he stated that the new guidelines would enter into force in spring 2014, at the same time as the revised General Block Exemption Regulation, to ensure full consistency

between the two texts.

The PRESIDENT thanked Mr ALMUNIA for his presentation and the Commission Members for their constructive contribution to the debate that day. The resulting policy lines would be taken into consideration in the future regional state aid guidelines and the Commission would reach a decision once all the elements of the proposal were known.

On the subject of population coverage, he felt that the proposed approach was balanced. Concerning aid for large companies in ‘c’ areas, it was necessary to study in more detail the definitions of the new activities and products on which the aid was conditional in these cases before reaching policy conclusions on this issue. More generally, the regional state aid guidelines must be fully consistent with the sectoral guidelines and the rules on granting cohesion funds.

He wound up the policy debate by pointing out that the ultimate aim of adopting the future guidelines and other rules relating to the modernisation of state aid policy must be to stimulate growth and job creation.

The Commission took note of the results and conclusions of the policy debate and of the background note distributed under the authority of Mr ALMUNIA as SEC(2013) 243.

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The Commission's other discussions on certain agenda items are recorded in the special minutes.

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The meeting closed at 10.52