



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2014) 2080 final

- English language version of the French text which is authentic -

Brussels, 9 April 2014

TEXTE EN

MINUTES

of the 2080th meeting of the Commission

held in Brussels

(Berlaymont)

on Thursday 27 March 2014

(morning)

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PV(2014) 2080 final

- English language version of the French text which is authentic -

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Single sitting: Thursday 27 March 2014 (morning)

The sitting opened at 10.06 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Baroness ASHTON	High Representative/ Vice-President	
Ms REDING	Vice-President	
Mr KALLAS	Vice-President	Items 1 to 12 (in part)
Ms KROES	Vice-President	
Mr REHN	Vice-President	
Mr POTOČNIK	Member	
Mr PIEBALGS	Member	Items 1 to 12 (in part)
Mr BARNIER	Member	Items 1 to 12 (in part)
Ms VASSILIOU	Member	
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	Items 1 to 12 (in part)
Ms GEOGHEGAN-QUINN	Member	
Mr LEWANDOWSKI	Member	Items 1 to 12 (in part)
Ms DAMANAKI	Member	
Mr HAHN	Member	Items 1 to 12 (in part)
Ms HEDEGAARD	Member	
Mr FÜLE	Member	
Mr ANDOR	Member	
Mr CIOLOŞ	Member	
Mr MIMICA	Member	

Absent:

Mr ALMUNIA	Vice-President
Mr TAJANI	Vice-President
Mr ŠEFČOVIČ	Vice-President
Ms GEORGIEVA	Member
Mr OETTINGER	Member
Ms MALMSTRÖM	Member
Mr BORG	Member

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

Mr MARTÍNEZ MONGAY	Chef de cabinet to Mr ALMUNIA	Items 1 to 12 (in part)
Ms SUPERTI	Deputy Chef de cabinet to Mr TAJANI	
Mr LINDER	A member of Mr ŠEFČOVIČ's staff	
Ms HRISTCHEVA	Chef de cabinet to Ms GEORGIEVA	
Mr HAGER	Chef de cabinet to Mr OETTINGER	
Ms ÅSENIUS	Chef de cabinet to Ms MALMSTRÖM	
Mr KANDOLF	Deputy Chef de cabinet to Mr BORG	Items 1 to 12 (in part)

The following also sat in:

Mr SOBRAL	Deputy Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PAULGER	Director-General, DG Communication	Items 1 to 12 (in part)
Ms AHRENKILDE HANSEN	Commission Spokeswoman	Items 1 to 12 (in part)
Mr MORRISON	Chef de cabinet to Baroness ASHTON	

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

1. AGENDAS

(OJ(2014) 2080/FINAL; SEC(2014) 213/2)

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(2014) 2080)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 24 March.

3. MINUTES OF 2079TH MEETING (19 MARCH)

(PV(2014) 2079)

The Commission approved the minutes of its 2079th meeting.

4. MONITORING THE APPLICATION OF EUROPEAN UNION LAW

STATE AID – INDIVIDUAL CASES

(SEC(2014) 226; RCC(2014) 33)

The Commission adopted the decisions in SEC(2014) 226.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2014) 214 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 17 and 21 March.

5.2. EMPOWERMENT

(SEC(2014) 215 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 17 and 21 March.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2014) 216 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 17 and 21 March, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2014) 217 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 24 and 28 March and of the 'finalisation' written procedure initiated following the weekly meeting of Chefs de cabinet on 24 March.

**6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2014) 218)**

**ADMINISTRATIVE MATTERS
(PERS(2014) 55)**

**6.1. DG COMMUNICATIONS NETWORKS, CONTENT AND
TECHNOLOGY – AMENDMENT OF THE ORGANISATION CHART,
APPOINTMENT OF A PRINCIPAL ADVISER AND ATTACHMENT OF
AN OFFICIAL TO ANOTHER DIRECTORATE-GENERAL**

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

- to approve the creation of a temporary post of principal adviser in DG Communications Networks, Content and Technology; this post would be abolished upon departure of the job holder;
- to fill this post by transfer in the interest of the service, pursuant to Article 7 of the Staff Regulations, of Ms Linda CORUGEDO STENEBERG, an AD15 official and currently Director of the ‘Cooperation’ Directorate in DG Communications Networks, Content and Technology;
- the attachment of Ms Linda CORUGEDO STENEBERG to DG Humanitarian Aid and Civil Protection for a period of 12 months which may be extended.

These decisions would take effect on 16 April 2014.

6.2. DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY – INTERNAL AND INTERINSTITUTIONAL PUBLICATION (AT GRADE AD14/15) AND EXTERNAL PUBLICATION (AT GRADE AD14 – EU-28) OF THE VACANCY NOTICE FOR THE POST OF DIRECTOR (PERS(2014) 56)

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms KROES, the Commission decided to authorise the internal and interinstitutional publication (at grade AD14/15) and external publication (at grade AD14 – EU-28), under Article 29(1)(a)(i) and (iii), 29(1)(b) and 29(2) of the Staff Regulations, of the vacancy notices in PERS(2014) 56 relating to the post of Director of the ‘Electronic Communications Networks and Services’ Directorate in DG Communications Networks, Content and Technology.

This decision would take effect immediately.

7. JOINT COMMUNICATION FROM THE COMMISSION AND THE HIGH REPRESENTATIVE OF THE EUROPEAN UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – NEIGHBOURHOOD AT THE CROSSROADS: IMPLEMENTATION OF THE EUROPEAN NEIGHBOURHOOD POLICY IN 2013

(JOIN(2014) 12 TO /4; SWD(2014) 69; SWD(2014) 70 TO /3; SWD(2014) 71 AND /2; SWD(2014) 72 AND /2; SWD(2014) 73 TO /3; SWD(2014) 74 AND /2; SWD(2014) 92 AND /2; SWD(2014) 93 TO /3; SWD(2014) 94 AND /2; SWD(2014) 95; SWD(2014) 96 TO /3; SWD(2014) 97; SWD(2014) 98 AND /2; SWD(2014) 99 TO /3; SWD(2014) 100 TO /3; RCC(2014) 29)

The Commission approved the joint communication set out in JOIN(2014) 12/4 for transmission to Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, and, for information, to the national parliaments, together with staff working documents SWD(2014) 69, SWD(2014) 70/3, SWD(2014) 71/2, SWD(2014) 72/2, SWD(2014) 73/3, SWD(2014) 74/2, SWD(2014) 92/2, SWD(2014) 93/3, SWD(2014) 94/2, SWD(2014) 95, SWD(2014) 96/3, SWD(2014) 97, SWD(2014) 98/2, SWD(2014) 99/3 and SWD(2014) 100/3, the contents of which were noted.

**8. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL ON LONG-TERM FINANCING OF THE EUROPEAN ECONOMY
(COM(2014) 168 AND /2; SWD(2014) 105 AND /2; RCC(2014) 30)**

The Commission approved the communication in COM(2014) 168/2 for transmission to Parliament and to the Council, and, for information, to the Economic and Social Committee, the Committee of the Regions, the European Central Bank, the European Investment Bank and the national parliaments, together with staff working document SWD(2014) 105/2, the contents of which were noted.

9. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – UNLEASHING THE POTENTIAL OF CROWDFUNDING IN THE EUROPEAN UNION

(COM(2014) 172 AND /2; RCC(2014) 30)

The Commission approved the communication in COM(2014) 172/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, and, for information, to the European Central Bank, the European Investment Bank and the national parliaments.

10. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE ACTIVITIES AND SUPERVISION OF INSTITUTIONS FOR OCCUPATIONAL RETIREMENT PROVISION (RECAST)

(COM(2014) 167 TO /3; SWD(2014) 102; SWD(2014) 103 (VOLUMES 1 AND 2); SWD(2014) 104; SEC(2014) 208; RCC(2014) 30)

The Commission adopted the proposal for a Directive in COM(2014) 167/3 for transmission to Parliament, the Council, the Economic and Social Committee, the European Data Protection Supervisor and the national parliaments, and, for information, to the Committee of the Regions, together with the implementation plan, impact assessment and the summary thereof in staff working documents SWD(2014) 104, SWD(2014) 103 (volumes 1 and 2) and SWD(2014) 102, the contents of which were noted.

It also took note of the opinion of the Impact Assessment Board on the above
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proposal for a Directive, as set out in SEC(2014) 208.

11. RELATIONS WITH NON-EU COUNTRIES

ANTI-DUMPING PROCEEDING CONCERNING IMPORTS OF MOBILE TELECOMMUNICATIONS NETWORKS AND THEIR ESSENTIAL ELEMENTS ORIGINATING IN THE PEOPLE'S REPUBLIC OF CHINA (SEC(2013) 276; RCC(2014) 35)

With reference to the outcome of the special meeting of the Chefs de cabinet of 26 March 2014 as set out in RCC(2014) 35, the Commission decided to repeal the decision of principle of 15 May 2013 on the notice of initiation of an anti-dumping proceeding concerning imports of mobile telecommunications networks and their essential elements originating in the People's Republic of China, as set out in SEC(2013) 276.

12. INTERINSTITUTIONAL RELATIONS

12.1. LEGISLATIVE MATTERS

- i) Amendment of Regulation (EU) 43/2014 as regards catch limits for the fisheries on sandeel in EU waters of ICES zones IIa, IIIa and IV (Council Regulation) – 2014/0092 (NLE)**
(SI(2014) 150)

The Commission approved the line set out in SI(2014) 150.

- ii) Deployment of alternative fuels infrastructure (Directive) – FIDANZA report – 2013/0012 (COD)**
(SI(2014) 151)

The Commission approved the line set out in SI(2014) 151.

12.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Results of the European Council (Brussels, 20 and 21 March), the extraordinary meeting of the G7 (The Hague, 24 March) and the EU/US summit (Brussels, 26 March)

(SI(2014) 149/2)

Reporting on these meetings, the PRESIDENT referred first to the strategic importance of the issues discussed at the European Council on 20 and 21 March for Europe's prosperity and influence in the medium and long term. In view of the exceptional importance of the discussions and of the conclusions adopted at the meeting, he was pleased that the Heads of State or Government had essentially followed the guidelines proposed by the Commission.

He began his presentation of the results of the spring European Council with the issue that had naturally dominated external relations: the situation in **Ukraine**. A number of substantive decisions had been taken in line with the EU's twofold approach of helping Ukraine on the road towards a democratic, economically viable, united and prosperous society, on the one hand, and on the other sending a clear signal to Russia concerning the serious consequences of a strategy of aggression and territorial annexation.

Turning first to the assistance for Ukraine, he said that the European Council had given its political backing to (i) the Commission's proposal to grant a second allocation of macro-financial assistance of €1 billion, in addition to the first allocation of €610 million already approved, and (ii) the proposal regarding the unilateral reduction or even removal of customs duties on Ukrainian products imported into Europe. He welcomed the speed with which this last proposal had been drawn up by the Commission Members concerned and their departments and hoped that the European Parliament would also be able to address this matter with the required urgency.

He referred, too, to the signature on 21 March, on the fringes of the European Council, of the political provisions of the Association Agreement between the European Union and Ukraine, represented by Arseniy Yatsenyuk, its acting Prime Minister. This was an event of considerable symbolic significance at a time of mounting tensions concerning Russia's conduct in Crimea. The signing of these political provisions sealed the EU's and Ukraine's commitment to promoting their shared democratic values and political association, while the European Council's reaffirmed commitment to signing the rest of the agreement in due course was part of the process of rapprochement begun five years ago and interrupted by the volte-face of the previous Ukrainian government at the Vilnius summit in November 2013.

The PRESIDENT said that as a mark of the concrete support proposed by the Union, on 25 and 26 March Mr FÜLE and Mr LEWANDOWSKI had visited Kiev, accompanied by a high-level delegation from the Commission directorates-general and the European External Action Service (EEAS), where they had held a series of working meetings with the Ukrainian authorities responsible for implementing democratic and economic reforms in the country. He intended to continue this action in the long term by setting up a 'support group for Ukraine' in the Commission. He mentioned, too, the European Council's decision to bring forward to June 2014 the signature of the Association Agreements with Georgia and the Republic of Moldova, including the provisions on the deep and comprehensive free trade area.

With regard to the second part of the EU's approach, namely its response to Russia's behaviour, the PRESIDENT stressed that in addition to adopting measures relating to the second stage of sanctions, such as the decision to cancel the forthcoming EU/Russia summit at Sochi in June and to extend the list of persons affected by the visa ban and asset freeze, the European Council had asked the Commission to analyse possible additional economic measures in the event of further Russian initiatives aimed at destabilising Ukraine.

With regard to Russia's intention of cooperating with the Organisation for

Security and Cooperation in Europe (OSCE) in Ukraine, as recently announced, he said that it was up to the Russian authorities to decide whether they wished to return to an international cooperation model or opt for increasing isolation on the international stage.

Continuing his presentation of the results of the European Council, the PRESIDENT then turned to the other topics discussed. He began with an issue that had become even more central than the Ukrainian crisis: the **security of energy supply** in the EU. The Heads of State or Government had asked the Commission to carry out an in-depth study of this issue in preparation for the June European Council, and to propose measures to reduce the EU's energy dependency. While in recent years the EU had diversified its energy mix and sources of energy supply, for example with the southern corridor, the PRESIDENT pointed out that the Commission was continuing to call for a fully integrated internal energy market. This was all the more necessary since not all the Member States were exposed to the same risks. He also stressed the importance of stepping up the use of renewable energy and improving energy efficiency as additional means of making the EU less dependent on imported gas and oil.

Against this background, the PRESIDENT, on behalf of the Commission, had presented to the European Council an analysis of the progress made by the Member States on their energy and climate targets under the Europe 2020 strategy, and had taken part in the discussions, setting out his '2030 framework for climate and energy policies'. This initiative had been welcomed, although some Member States were reluctant to approve specific targets at this stage.

He also touched on the European Council discussions on **economic and social** matters, in particular the restating of the priorities of the Annual Growth Survey (AGS). On the national reform programmes, he had reminded the Heads of State or Government how important it was to apply the Commission's country-specific recommendations for 2013 in full before the

new proposals were presented in June.

He went on to list a number of other encouraging results. These included the European Council's unreserved support for the Commission's proposal calling for an 'industrial renaissance' to stimulate the Union's competitiveness. He also mentioned the political agreement reached on the eve of the summit regarding the single resolution mechanism for banks, which would have to be confirmed at the last part-session of the current European Parliament. Lastly, he welcomed the political agreement which the European Council had just concluded, following years of discussions, on the Savings Directive, which marked a major breakthrough for transparency, fairness and the fight against tax evasion, thanks to the automatic exchange of information at EU level.

The PRESIDENT then moved on the EU-US Summit, held the day before in Brussels following the extraordinary meeting of the G7 organised on 24 March in The Hague, on the fringes of the international Nuclear Security Summit, from which Russia had been excluded.

For obvious reasons, the EU-US Summit too had been dominated by the situation in Ukraine and energy security, but also by the economy and the negotiations on the Transatlantic Trade and Investment Partnership (TTIP).

On the matter of measures to combat climate change, he noted that the EU had argued in favour of binding international commitments, while the US continued to have reservations given that China had still not shown its intention of assuming these binding obligations. On the question of energy, a meeting of the EU-US Energy Council would be held in the near future to be attended by Mr OETTINGER and Baroness ASHTON and by the American Secretary of State, John Kerry.

The PRESIDENT emphasised the firm and resolute attitude of the US President, Barack Obama, and his government concerning the situation in Ukraine. While calling for unity and good coordination with the United States within the G7, he nonetheless stressed the importance for the EU of taking its

own decisions in the light of its own reading of the situation. The EU had much closer ties with Russia, especially trade links, than did the US, and as a result its sanctions against Russia would have much more leverage.

On the TTIP, he explained that the Europeans had made it clear that they wanted to conclude an agreement with the United States. However, while they could see the geo-strategic dimension of such an agreement, in order to achieve it they expected the US to make progress on questions of particular importance for the EU, especially access to public service contracts and provision of services, although it would be difficult for the US administration to make any major concessions before the mid-term elections in the US. He finished by saying that Mr DE GUCHT remained in close contact with the United States Trade Representative, Michael Froman, and that a report would shortly be drawn up on the basis of which the group of Commissioners responsible for the TTIP could then decide what action to take.

Baroness ASHTON then reported on the situation on the ground in Crimea, confirming that Russian forces now held all the Ukrainian military bases and warships, having ordered the Ukrainian soldiers to leave the territory. She explained that the illegal annexation of the region by Russia was starting to give rise to the displacement, at present on a small scale, of Ukrainian refugees and Tatars, most of whom were heading for Western Ukraine while some of them had requested asylum in Poland.

She then turned to the very worrying situation on the Russian side of Ukraine's northern and eastern borders, where major troop movements were taking place. She referred to the analysis of these events by the international community and NATO. The current circumstances could be a factor in favour of a possible review of defence matters at European level.

In relation to the mobilisation of the international community, she confirmed that an OSCE mission would go to Ukraine, with the agreement of the Russian authorities. A vote would be held in the United Nations General

Assembly that day on a resolution denouncing the referendum in Crimea and the annexation of Crimea by Russia.

A first meeting was to be held between the Ukrainian Foreign Minister and his Russian counterpart, raising hopes of a diplomatic approach. However, the Russian authorities continued to favour the idea of a contact group for Ukraine, with participants appointed by it. For its part, the Union was firmly insisting that the Ukrainian interim government should play a full role in this contact group.

Taking the floor, Mr FÜLE reported on his trip to Kiev on 25 and 26 March, accompanied by Mr LEWANDOWSKI and a high-level delegation of EEAS experts and officials from various Commission departments, against an extremely complex political background. He referred to the issues discussed in various meetings with Ukrainian government members and senior officials. In particular, both the Ukrainian authorities and the Commission would monitor developments in terms of the reforms needed in the short and long term in the context of implementing the Association Agreement in line with a detailed roadmap produced in recent weeks. While awaiting further information from Kiev, he hoped to be able to present this roadmap to the Commission Members in the near future.

He had come away from these meetings with quite a positive impression of the political ownership of the tasks to be carried out and the level of preparation of the Ukrainian authorities. He pointed in particular to the dynamism, political experience and know-how, in the financial domain especially, of acting Prime Minister Arseniy Yatsenyuk. He was confident that the latter would prove capable of ensuring as peaceful a transition as possible at this pivotal moment for Ukraine's future.

In terms of the political priorities highlighted by the Ukrainian Prime Minister, Mr FÜLE said that, above all, it was absolutely necessary to restore economic stability in Ukraine, which in his view went hand in hand

with a firm commitment to carry out a series of reforms in exchange for financial support from the Union and other international financial institutions. He pointed out in passing that the emergency measures now endorsed by the European Council could result in non-refundable aid or loans, based on a total budget of €850 million to be made available in the next few months.

Second, he confirmed that the Ukrainian interim government was giving priority to energy matters against a backcloth of growing pressure from the Russian authorities as regards the price of the gas supplies to Ukraine. This was why the idea of reverse flows between the Union and Ukraine had taken on capital importance. Such capacity was already available between Hungary or Poland and Ukraine, however the discussions had also focused on the channelling of similar capacity via Slovakia.

Summarising the many other subjects tackled during his two-day visit to Kiev, Mr FÜLE noted that he had insisted on the conditions that would have to be fulfilled to allow Ukrainian companies to benefit from the European unilateral trade measures as soon as they came into force. He referred again to the examination of the progress made by Ukraine and the possibility of moving on to the last phase of the visa liberalisation action plan, in relation to which the Union had insisted on non-discrimination. Referring to the fight against corruption, he recalled the exchanges between the Ukrainian authorities and the European Anti-Fraud Office (OLAF) concerning, among other things, the potential establishment of a joint investigation group tasked with preventing fraud likely to damage the resources made available by the Union.

He also referred to the support proposed by the Union to set up a platform to coordinate the funds to be released by the various international financial institutions, emphasising nevertheless that the Ukrainian government must take over this global process and ensure that it was managed effectively.

Lastly, Mr FÜLE confirmed the very favourable reception for the

PRESIDENT's suggestion to organise a meeting soon in Brussels between the Commission Members most concerned and the Prime Ministers of Ukraine, Georgia and Moldova in order to prepare the implementation of their respective association agreements. This would also be a way of conveying the Commission's special interest in the fate of this region.

During the in-depth discussion which ensued, the Members of the Commission raised the following main issues:

With regard to the results of the European Council in general and relations with Ukraine and Russia in particular

- the Commission was satisfied with the results of the European Council, which were deemed positive in the light of the Commission proposals on all the items on the agenda;
- in particular, a repeat of the call for the Union to provide all possible assistance to Ukraine and to contain the serious threats to its security and international stability posed by Russia's annexation of Crimea;
- support for the reforms that Ukraine had to undertake; in that connection, a recapitulation was made of the domestic political background prior to the overthrow of the former Ukrainian government, such as the low standard of living in comparison with neighbouring countries and the development gap between Ukraine and e.g. Poland, where per capita GDI had tripled in the last twenty years or so as a result of the reforms made necessary by accession, whereas in Ukraine it had remained static;
- however, a warning was given against European demands for reform to the Ukrainian government which, given the way in which national institutions and the administration operated, coupled with internal resistance, might be seen as quantitatively excessive, for example in terms of adoption of new laws, and it was recommended that the emphasis be placed on the qualitative aspect of progress; a question about how the

Union could help with the preparations for and organisation of a democratic presidential election;

- the next stages leading to the release of various instalments of European and international macro-financial assistance for Ukraine, namely (i) finalisation, currently under way, of an IMF aid programme worth between €10 billion and 13 billion, which should be adopted in the course of April. Payment by the Union of its second aid instalment was contingent on implementation of the programme; (ii) preparation, currently under way, of a loan agreement and draft agreement which it should be possible to submit to the Council under an accelerated procedure on 14 April and to the Ukrainian Parliament for ratification about one month later, thereby enabling the Union to start lending the funds; (iii) suggestion to look into the possibility of releasing a European aid instalment of €500 million scheduled for the end of May or beginning of June before the Ukrainian presidential elections on 25 May; and (iv) the grant that Ukraine could receive under the State Building Contract;
- some supported the idea of a political gesture by the Union to Ukraine even before the presidential elections scheduled for May and it was recommended that this gesture be translated into visible measures which benefited ordinary Ukrainians, like visa facilitation;
- if stage three sanctions were imposed on Russia, it would have an impact not just on the Russian economy but also on the European economy and European assets in Russia. Russia would probably take retaliatory measures, which could also affect transport;
- the negative impact of Russian reprisals on the Member States would vary depending on how closely their economies were linked to Russia. For that reason, a discussion was needed on ways of ensuring European solidarity for the worst-hit Member States;
- the Ukrainian economy stood to gain very significantly – to the tune of

some €500 million per annum – from unilateral measures to cut EU customs duty which would enter into force in May, and from the possibility of spreading over time, or grouping, tariff quota usage;

- the suggestion to highlight the fact that the Union was taking practical measures on the ground and making available to the Ukrainian authorities resources other than financial resources, for example by offering advice from the European Anti-Fraud Office (OLAF), which would be sending a team to Kiev;
- the need to take account of the fact that, when the time was right, it would be a question of helping Ukraine to improve its employment and social policies and working conditions, including in the field of health and safety at work;
- the case for a more incisive message by the Commission and all the European institutions to the public in certain Member States about the severity of Russia's violation in Crimea of all the principles of international law; for the sake of political credibility, the call by some nevertheless not to let this question overshadow or even sideline other dramatic events in the world, such as the civil war in Syria;
- going beyond neighbourhood policy, the need for the Union to draw lessons from the situation in Ukraine and current relations with Russia to define a political strategy towards other regions in the world, in particular Asia;

Summit between the European Union and the United States

- acknowledgement of the European Union's growing importance and influence in the eyes of the US Government;
- with regard to the **Ukrainian question**, the converging views of the Union and the United States, which did not for all that mean that positions

were aligned; recognition that the political maturity of the European Union was such that it ought to be reflected in a clear medium-term strategy in the event that the present crisis worsened;

- in relation to the **Transatlantic Trade and Investment Partnership** (TTIP), a reminder that there was a greater degree of protectionism in the United States and that at federal level there was less capacity than in Europe to keep control over some of the trade aspects; a recap of the current domestic political context, in the run-up to the mid-term elections that would take place in November; the impact that the geostrategic situation resulting from the Ukrainian crisis could have on the negotiation of the TTIP agreement and the reference to the lack of progress on the American Trans-Pacific Partnership project, in particular on the associated trade aspects;
- in the current period before the European elections, the case for not underestimating the potential public support for the campaign by the opponents of the TTIP agreement, which would undoubtedly be vocal, hence the suggestion to draw up a list of defensive points to better underline all the benefits of a future agreement with the United States; against this background, the case for getting across a message about its tangible effects in the short term, both positive and negative;
- with regard to the **protection of personal data**, the United States' lack of commitment on this question and in particular the absence of reciprocity, given that European citizens could not bring proceedings before American courts if they were victims of an abuse, whereas it was possible for American citizens to bring cases before European courts; reference to the position of the European Parliament on this issue, which advocated greater firmness in relation to the United States and had already argued on two occasions for the Safe Harbour Framework to be abolished; the satisfaction of noting that points 12 and 14 of the Joint Statement issued after the summit between the European Union and the United States on

26 March set out very clearly the European position and objectives on data protection.

Mr FÜLE responded to some of these comments by first picking up the suggestion to send a political signal to Ukraine before its presidential elections, in particular by releasing funds at the start of the period (front-loading). He felt that it was more important to make sure that the conditions attached to macro-financial assistance from the Union were fine-tuned and that the assistance should be made available to the Ukraine as soon as possible.

With regard to the possible contribution from the Union to the preparations for democratic elections in Ukraine, he explained that on the one hand the Ukrainian legislative framework was generally satisfactory, and on the other a large mission from the Organization for Security and Co-operation in Europe (OSCE), financed in part by the Union, would be on the spot, as would a large number of Ukrainian observers. He also referred to internal constitutional provisions and a complex electoral schedule that could restrict the term of the president elected to a few months.

He considered it premature to assess the likely economic consequences of a possible third phase of European sanctions against Russia, adding that if implemented, this wave of sanctions would be just as targeted as the first and second waves. He nonetheless emphasised that Russia had trampled on the Helsinki principles on the European continent, and that even though the EU and the United States took the same stance on this issue, the security problem was by definition much more acute for the Union than it could be for the United States.

In geo-strategic terms, Baroness ASHTON emphasised the much greater impact on Russia of new European sanctions compared with American ones. She also mentioned the risk of confrontation in Ukraine or a frozen conflict in the region. She stated her support for the efforts to encourage Russia to break

the current deadlock by politically acceptable means. She concluded by highlighting the extremely diverse views on Russia's annexation of Crimea found across European public opinion.

The PRESIDENT drew some operational conclusions from the discussion. He approved the organisation of meetings of the Members of the Commission most directly concerned with the Moldovan, Georgian and Ukrainian authorities in Brussels over the coming weeks. He also supported the idea of formally setting up the support group for Ukraine, likewise to be made up of the Commissioners concerned. On the question of sanctions, he hoped that a group consisting of the main services concerned, directed by his cabinet and the Secretariat-General, would speed up the work undertaken. Finally, regarding negotiation of the TTIP agreement with the United States, he requested the Secretary-General to arrange a meeting with the group of Commissioners concerned in order to inform the College of the latest developments as soon as possible.

In terms of the substantive points of the discussion, the PRESIDENT first noted the political expediency of examining the aid payments that could be brought forward for Ukraine. He confirmed the need for the EU to show solidarity with the Member States that would be most directly affected by Russian geo-political threats, should the third phase of European sanctions against Russia be launched.

He went on to stress one of the issues at stake in Crimea, that of a war of communication, with the Russian government using propaganda to the full to convince the public of the legitimacy of its annexation. In response, he explained that the sanctions drawn up with the unanimous agreement of the Members of the European Council were aimed precisely at showing that Russia's actions would have a cost, starting with the cancellation of the G8 summit initially planned for Sochi in June – a diplomatic decision that must be felt by a Russia eager to regain international standing.

More generally, he concluded the discussion by calling for unwavering unity amongst the Member States in the face of the highly delicate challenge that Russia's illegal annexation of Crimea represented for the European continent and for global stability.

The Commission took note of this information and these conclusions.

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

iv) Relations with the Committee of the Regions – Programming of work for 2014 – List of optional opinions

(SR(2014) 8)

The Commission approved the line set out in SR(2014) 8 and decided to send the list annexed to that document to the Committee of the Regions.

12.4. OTHER BUSINESS

v) Interinstitutional working group on the resources of decentralised agencies

(SI(2014) 152)

The Commission took note of the information in SI(2014) 152.

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The meeting closed at 12.20.