



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2014) 2083 final

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

Brussels, 7 May 2014

TEXTE EN

MINUTES

of the 2083rd meeting of the Commission

held in Strasbourg

(Winston Churchill building)

Tuesday 15 April 2014

(afternoon)

PV(2014) 2083 final

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

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Single sitting: Tuesday 15 April 2014 (afternoon)

The sitting opened at 13.11 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Ms REDING	Vice-President	
Mr ALMUNIA	Vice-President	
Mr KALLAS	Vice-President	
Mr TAJANI	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr POTOČNIK	Member	
Mr BARNIER	Member	
Ms VASSILIOU	Member	
Mr ŠEMETA	Member	
Ms GEOGHEGAN-QUINN	Member	
Mr LEWANDOWSKI	Member	
Ms DAMANAKI	Member	Items 1 to 10 (in part)
Mr OETTINGER	Member	
Mr HAHN	Member	Items 1 to 9 (in part)
Ms HEDEGAARD	Member	Items 1 to 8
Mr FÜLE	Member	
Mr ANDOR	Member	
Ms MALMSTRÖM	Member	
Mr CIOLOŞ	Member	
Mr BORG	Member	
Mr MIMICA	Member	

Absent:

Baroness ASHTON	High Representative/ Vice-President
Ms KROES	Vice-President
Mr REHN	Vice-President
Mr PIEBALGS	Member
Mr DE GUCHT	Member
Ms GEORGIEVA	Member

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

Ms CASTAGNOLI	Adviser in Baroness ASHTON's office
Mr ROSA	A member of Mr PIEBALGS's staff
Ms BRIL	A member of Mr DE GUCHT's staff

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr KLAUS	A member of the PRESIDENT's staff	Items 1 to 9 (in part)
Ms SUTTON	A member of the PRESIDENT's staff	
Mr MÜLLER	A member of Ms HEDEGAARD's staff	Items 9 and 10

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

1. AGENDAS

(OJ(2014) 2083/FINAL; SEC(2014) 253/2)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings. It also took note of the addition to the agenda for that meeting of items 6 and 7, concerning proposals for Council decisions, and of item 8.1 on an administrative decision.

2. WEEKLY MEETING OF CHEFS DE CABINET

(RCC(2014) 2083)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 14 April.

3. APPROVAL OF THE MINUTES OF 2082ND MEETING OF THE COMMISSION (9 APRIL)

The Commission held over approval of the minutes of its 2082nd meeting for a later date.

4. INTERINSTITUTIONAL RELATIONS

4.1. LEGISLATIVE MATTERS

- (i) Allocation of fishing opportunities under the Protocol setting out fishing opportunities and the financial contribution provided for in the Fisheries Partnership Agreement between the European Union and the Democratic Republic of São Tomé e Príncipe (Council Regulation) – 2014/0116 (NLE)
(SI(2014) 56)**

The Commission approved the line set out in SI(2014) 56.

- (ii) Innovation Investment Package – Participation of the European Union in a Research and Development Programme jointly undertaken by several Member States aimed at supporting research-performing small and medium-sized enterprises (Decision) – RANSDORF report – 2013/0232 (COD) / Participation of the European Union in a European Metrology Programme for Innovation and Research jointly undertaken by several Member States (Decision) – TZAVELA report – 2013/0242 (COD) / Participation of the European Union in a second European and Developing Countries Clinical Trials Partnership Programme jointly undertaken by several Member States (Decision) – FORD report – 2013/0243 (COD) / Participation of the European Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several Member States (Decision) – TURMES report – 2013/0233 (COD) / Innovative Medicines Initiative 2 Joint Undertaking (Council Regulation) – RIERA MADURELL report –**

(15 April 2014)

2013/0240 (NLE) / Clean Sky 2 Joint Undertaking (Council Regulation) – EHLER report – 2013/0244 (NLE) / Electronic Components for European Leadership (ECSEL) Joint Undertaking (Council Regulation) – RÜBIG report – 2013/0234 (NLE) / Bio-Based Industries Joint Undertaking (Council Regulation) – VAN NISTELROOIJ report – 2013/0241 (NLE) / Fuel Cells and Hydrogen 2 Joint Undertaking (Council Regulation) – PANAYOTOV report – 2013/0245 (NLE) / Amendment of Council Regulation (EC) 219/2007 on establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR) as regards the extension of the Joint Undertaking until 2024 (Council Regulation) – THOMSEN report – 2013/0237 (NLE)

(SP(2014) 368 and /2)

The Commission approved the line set out in SP(2014) 368/2 and took note of the compromise texts attached to note SP(2014) 368, which it had already approved on 9 April.

(iii) Information provision and promotion measures for agricultural products on the internal market and in third countries (Regulation) – HERRANZ GARCÍA report – 2013/0398 (COD)

(SP(2014) 411)

The Commission approved the line set out in SP(2014) 411 and took note of the compromise text attached to that document.

- (iv) Key information documents for investment products (Regulation) – BERÈS report – 2012/0169 (COD)**
(SP(2014) 412)

The Commission took note of the compromise text in SP(2014) 412, further to note SI(2014) 154/2, which it had already approved on 2 April 2014.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

- (v) Programming of Council business**
(SI(2014) 170)

The Commission took note of the information in SI(2014) 170 on the Council meetings between 17 and 30 April.

4.3. RELATIONS WITH PARLIAMENT

- (vi) Protection of consumers in utilities services (European Parliament report) – WEIDENHOLZER report – 2013/2153 (INI)**
(SP(2014) 406 and /2)

The Commission approved the line set out in SP(2014) 406 and /2.

- (vii) Action taken on non-legislative resolutions adopted by Parliament at its February I part-session**
(SP(2014) 414 and /2)

The Commission approved documents SP(2014) 414 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its February I part-session, for transmission to Parliament.

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

(viii) Follow-up to Committee of the Regions opinions – Fifty-eighth report – January 2014 plenary session
(SR(2014) 13)

The Commission approved the replies to the opinions adopted by the Committee of the Regions during the January 2014 plenary session, contained in the document distributed as SR(2014) 13, for transmission to that Committee.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED
(SEC(2014) 254 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 7 and 11 April.

5.2. EMPOWERMENT
(SEC(2014) 255 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 7 and 11 April.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2014) 256 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 7 and 11 April, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2014) 257 TO /3)

The Commission took note of the sensitive written procedures for which the time limit expired between 14 and 25 April and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on 14 April.

6. PROPOSAL FOR A COUNCIL DECISION ON THE CONCLUSION OF A COMMON AVIATION AREA AGREEMENT BETWEEN THE EUROPEAN UNION AND ITS MEMBER STATES AND UKRAINE

(COM(2014) 17 TO /4)

7. PROPOSAL FOR A COUNCIL DECISION ON THE SIGNATURE, ON BEHALF OF THE EUROPEAN UNION, AND THE PROVISIONAL APPLICATION OF A COMMON AVIATION AREA AGREEMENT BETWEEN THE EUROPEAN UNION AND ITS MEMBER STATES AND UKRAINE

(COM(2014) 18 TO /4)

The Commission:

- adopted the proposal for a Council Decision set out in COM(2014) 17/4 for

transmission to Parliament and the Council and, for information, to the national parliaments;

- adopted the proposal for a Council Decision set out in COM(2014) 18/4 for transmission to Council and, for information, to Parliament and the national parliaments.

8. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2014) 258/2)

ADMINISTRATIVE MATTERS

(PERS(2014) 70/2)

8.1. DG INTERNAL MARKET AND SERVICES – APPOINTMENT OF A DEPUTY DIRECTOR-GENERAL

On a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr BARNIER, the Commission decided, under Article 7 of the Staff Regulations, to fill the post of Deputy Director-General responsible for Directorates F, G and H in DG Internal Market and Services by transferring, in the interest of the service, Mr Olivier GUERSENT, AD15 official and currently Deputy Director-General with responsibility for Mergers in DG Competition.

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

8.2. DG COMMUNICATION – AMENDMENT OF ORGANISATION CHART

(SEC(2014) 265; SEC(2014) 266)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and

Ms REDING, decided:

- to create a post of seconded Head of Unit in order to enable the secondment of a Head of Unit to the Education, Audiovisual and Culture Executive Agency (EACEA);
- to adopt the new organisation chart set out in SEC(2014) 266.

These decisions would take effect on 1 May 2014.

**8.3. DG DEVELOPMENT AND COOPERATION - EUROPEAID –
CHANGES TO ORGANISATION CHART
(SEC(2014) 265; SEC(2014) 267)**

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, Mr PIEBALGS and Mr FÜLE, decided:

- to create a post at Head of Unit level in the European Union Delegation in Bangladesh, by transforming one unused unit of the Adviser quota of DG Development and Cooperation - EuropeAid;
- to create a post at Head of Unit level in the European Union Delegation in Morocco, by using the post of this level at the Directorate-General for Development and Cooperation - EuropeAid freed up by the merger of former units DEVCO.C.5 and DEVCO.C.6 following the reorganisation of this Directorate-General on 1 February 2014;
- to abolish the ‘Centre of Gravity’ Task Force and to return the Task Force's remaining tasks to Directorate DEVCO.R ‘Resources in Headquarters and in Delegations’;
- to change the name of Directorate DEVCO.R from ‘Resources in

Headquarters and in Delegations’ to ‘Resources and Centre of Gravity of Human Resources in Delegations’;

- to adopt the new organisation chart set out in SEC(2014) 267.

These decisions would take effect on 1 May 2014.

Following this reorganisation, the total number of units at DG Development and Cooperation - EuropeAid remained unchanged and the total quota of adviser posts in the DG decreased from 3 to 2.

8.4. DG INFORMATICS – AMENDMENT OF ORGANISATION CHART (SEC(2014) 265; SEC(2014) 268; PERS(2014) 71)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided:

- to create a post of Chief Information Security Officer at principal-adviser level and to authorise the internal and interinstitutional publication, under Article 29(1)(a)(i) and (iii) and Article 29(1)(b) of the Staff Regulations, of the vacancy notice in PERS(2014) 71 for this post;
- to create two additional units, DIGIT.01 ‘IT Governance and Communication’ and DIGIT.A.4 ‘Information Technology Security’;
- to create two temporary task forces at unit level, ‘Technology Trends and Foresight’ and ‘Logistics’, for an 18-month period;
- to adopt the new organisation chart set out in SEC(2014) 268.

These decisions would take effect on 1 June 2014.

Following this reorganisation, staffing levels in these new units would be above the applicable minimum staffing benchmarks, with the exception of one

of the temporary task forces; the total number of units in DG Informatics would increase from 18 to 22.

8.5. DG EDUCATION AND CULTURE – AMENDMENT OF ORGANISATION CHART

(SEC(2014) 265; SEC(2014) 269)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms VASSILIOU, decided:

- to increase the Adviser quota in DG Education and Culture by one temporary Adviser post, which would be abolished upon the departure of the jobholder;
- to adopt the new organisation chart set out in SEC(2014) 269.

These decisions would take effect immediately.

Following this reorganisation, the total number of units in DG Education and Culture remained unchanged and the total quota of adviser posts in the Directorate-General would increase from 5 to 6.

8.6. DG EUROSTAT – AMENDMENT OF ORGANISATION CHART

(SEC(2014) 265)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr ŠEMETA, decided to maintain the post of Hors Classe Adviser temporarily after the departure of the current jobholder.

This decision would take effect on 1 July 2014.

8.7. SERVICE FOR FOREIGN POLICY INSTRUMENTS – AMENDMENT OF ORGANISATION CHART
(SEC(2014) 265; SEC(2014) 270)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Baroness ASHTON, decided:

- to create a new unit by splitting up unit FPI.4 ‘Public Diplomacy and election observation’ into two units: FPI.4 ‘Partnership Instrument’ and FPI.5 ‘Election Observation and European Visitors Programme (EUVP)’;
- to adopt the new organisation chart set out in SEC(2014) 270.

These decisions would take effect on 1 May 2014.

Following the reorganisation, the number of units in the Service for Foreign Policy Instruments would increase from 4 to 5.

8.8. JOINT RESEARCH CENTRE – AMENDMENT OF ORGANISATION CHART
(SEC(2014) 265; SEC(2014) 271)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms GEOGHEGAN-QUINN, decided:

- to create two additional units, JRC.DDG.02 ‘Foresight and Behavioural Insights’ and JRC.J.6 ‘Innovation Systems Analysis’ with effect from 1 June 2014;
- to abolish unit JRC.A.2 ‘Scientific Support to Innovation Union’ with effect from 1 October 2014;

- to adopt the new organisation chart set out in SEC(2014) 271.

Following this reorganisation, the staffing levels of all Joint Research Centre units would be above the minimum staffing benchmarks for the ‘research family’ directorates-general, with the exception of unit JRC.A.2 ‘Scientific Support to Innovation Union’ which would be abolished; the total number of units at the Joint Research Centre would increase from 71 to 72.

8.9. DG INTERNAL MARKET AND SERVICES – AMENDMENT OF ORGANISATION CHART
(SEC(2014) 265; SEC(2014) 272)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr BARNIER, decided:

- to create a temporary task force at unit level ‘Task Force for the Establishment of the Single Resolution Board’, with a mandate until the end of 2015;
- to adopt the new organisation chart set out in SEC(2014) 272.

These decisions would take effect on 1 May 2014.

Following the reorganisation, the number of units in the DG Internal Market and Services would increase from 34 to 35.

8.10. DG REGIONAL POLICY – AMENDMENT OF ORGANISATION CHART
(SEC(2014) 265; SEC(2014) 273)

The Commission took note of the information in SEC(2014) 265 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr HAHN, decided:

- to abolish unit REGIO.DGA1.A1 ‘Management, Planning and Internal Control’;
- to adopt the new organisation chart set out in SEC(2014) 273.

These decisions would take effect on 1 May 2014.

Following the reorganisation, the number of units in DG Regional Policy would decrease from 39 to 38.

9. RELATIONS WITH NON-EU COUNTRIES

SITUATION IN UKRAINE

(SEC(2014) 283)

Before presenting the discussion paper on the legal consequences of the annexation of Crimea and informing the Commission of the progress in the preparation of economic sanctions that could be applied against the Russian Federation, the PRESIDENT reported on the situation in Ukraine, which was continuing to deteriorate. He regretted to say that, despite European efforts to support a united, democratic and prosperous Ukraine, and the gestures made to de-escalate the situation with the Russian Federation, recent events provided little hope of a political solution at the moment.

He referred to the letter sent on 10 April by Russian President Vladimir Putin to the European Union Member States importing gas from Russia and five other importing countries in a bid to step up the pressure on Ukraine and the European Union in relation to their gas supplies, in line with the familiar strategy of divide and rule. He also pointed to the current problems in eastern Ukraine, reminiscent of the precedent set in the case of Crimea.

In relation to the letter from the Russian President, the PRESIDENT underlined the fact that the Commission had taken a clear position in a letter sent to the Heads of State or Government, recommending the adoption of a common approach by the 28 Member States at the Foreign Affairs Council meeting on 14 April, with the support of the European Energy Ministers. The Council had tasked the Commission with replying to this letter on behalf of the European Union. A draft reply was being produced for submission to the Member States.

The next crucial diplomatic event would be the meeting that would probably be held on 17 April between the United States, the European Union, Russia and Ukraine. There was an urgent need to show Russia that its acts would have consequences and would come at a cost.

The European Council had made two requests to the Commission on 20 and 21 March, asking it to assess the legal implications of the annexation of Crimea and the proposals for economic, trade and financial restrictions against that region, and to propose scenarios for targeted sanctions against Russia involving a wide range of economic sectors, which could be triggered if Moscow continued with its destabilisation of Ukraine.

In relation to the first request, the PRESIDENT was pleased to announce that the Commission would be able to take note of the discussion paper on the implications of the annexation of Crimea which would be presented and discussed at the Permanent Representatives Committee (COREPER) on 16 April. This paper was a work in progress that would be adapted in line with the comments made by Member States, and might still be modified before specific measures were adopted. It was a means of making it clear that the Union did not recognise the annexation of Crimea and that appropriate steps would be taken.

The PRESIDENT outlined the measures set out in the discussion paper which concerned proposals in four key areas: (i) in relation to trade, the Union should

ensure that companies in Crimea did not have access to the Generalised System of Preferences (GSP) and the unilateral trade measures granted to Ukraine, and that an embargo was placed on products clearly identified as coming from Crimea and imported into the Union from Russia; (ii) on the economic front, the Commission would draw up common guidelines to warn Union (and also Ukrainian) firms of the risk of pursuing their business activities or investing in Crimea; (iii) in relation to consular matters, efforts should be made to ensure that passports issued in Crimea or Sevastopol were not recognised in the Union and that the Member States did not issue the same visas to Crimean citizens as those granted to Russian nationals; and (iv) a common approach should be adopted in relation to bilateral agreements and international public law, with the Union not legally recognising the annexation of Crimea but in practice dealing with the actual consequences of this.

The PRESIDENT then turned to the second request by the European Council, which was more sensitive and more likely to involve some degree of political discretion, namely the targeted sanctions that could be taken against Russia. He pointed out that the work on this aspect was confidential as the effectiveness of the sanctions also relied on their scope and on the timing of their announcement. A certain number of parameters had been taken on board, namely (i) the wish to preserve the unity and cohesion of the Union, (ii) the need to ensure that these measures had a greater impact on Russia than on the Union, (iii) the fact that it must be possible to intensify or ease the sanctions where necessary, and (iv) consideration of the different degrees of exposure of Member States and the asymmetric sectoral impact the sanctions would have.

He completed this summary by referring to the three scenarios (low, medium and high-intensity), the scope of application or areas targeted, the list of which could be expanded if necessary, and the possibilities of adjusting the sanctions in each of these areas. An example of a low-intensity scenario could be an embargo on imports of luxury goods, while a medium to high-intensity scenario could also include semi-

processed products, sensitive technologies and armaments.

The PRESIDENT went on to explain that the matrix being drawn up by the Commission took into account all these factors (phasing of measures, intensity and scope of application), so as to provide a range of tools to the Member States, which would have to decide on the circumstances that could trigger the sanctions. This instrument was accompanied by a brief impact analysis of the effects of the sanctions on the gross national product and economic activity of each Member State. The Member States would be informed in detail about this work at the COREPER meeting the next day and would then be consulted individually on the impact analysis concerning them, before the matrix and its annex were completed.

He wound up his presentation by stressing that the follow-up would depend on how the situation developed on the ground, and that the framing of sanctions would be stepped up as required. Once the Member States had contributed to the process it would be up to them to decide on the advisability of using all or some of these measures, and on when and how they should be applied. An extraordinary European Council meeting next week could not be ruled out and nor could an emergency Commission meeting.

Opening the discussion, the PRESIDENT first invited Mr FÜLE and Mr OETTINGER to report to the Commission Members on the results of the meeting of the Foreign Affairs Council the previous day and of their various contacts.

Mr FÜLE highlighted the importance of the Foreign Affairs Council meeting in reasserting that the EU Member States were united in their reiterated condemnation of the annexation of Crimea and the recent Russian provocations in the east of Ukraine. The Council had reaffirmed Europe's support for Ukraine and the Member States' common commitment to pursuing the process currently under way, particularly in relations with the Republic of Moldova and Georgia.

He reminded the meeting that Baroness ASHTON had opened the discussions by asking the Council for a strong and clear mandate with a view to the meeting to be held in Geneva on Thursday 17 April in the presence of representatives of the US, Ukraine and the Russian Federation. He stressed the difficult balance that had been sought by the EU foreign ministers between an uncompromising stance vis-à-vis Russia, dictated by the extreme seriousness of the situation on the ground in Ukraine, and the need to avoid the postponement or cancellation of the Geneva meeting.

He added that the aim of the Foreign Affairs Council was also to show that the Member States spoke with one voice as regards the adoption of decisions on the granting of the macro-financial assistance of €1.6 billion earmarked for Ukraine and unilateral trade measures. He noted too the decision taken to proceed to the second phase of the sanctions, with regard not only to individuals but also, where necessary, to legal entities, and the speeding up of preparations for a prospective EU mission in Ukraine as part of the common security and defence policy (CSDP).

Lastly, he told the meeting that the Council had asked the Commission to reply to the President of the Russian Federation on behalf of the EU and its Member States, after consulting the Member States, in order to reach agreement on consultations with Russia and Ukraine on security of supply and transit in the field of energy.

Against this complex backdrop, he ended by noting that the invitation by the President of the Czech Republic, Milos Zeman, to celebrate with the participating states the fifth anniversary of the Prague Eastern Partnership Summit of May 2009, might mark a positive occasion for the EU.

Returning to the subject of Vladimir Putin's threat in his letter of 10 April to cut off supplies of Russian gas, Mr OETTINGER trusted that the EU would respond firmly to the Russian authorities' evident intention of dividing Europeans by adopting a united position of the 28 Member States.

He stressed that this kind of blackmail and provocation could, in the short term, strengthen Russia's position vis-à-vis the EU itself, six of whose Member States were wholly dependent on supplies of Russian gas. He reported on his numerous contacts in the last few days with energy ministers and referred to the option of implementing an early warning mechanism to notify possible supply problems.

In the case of Ukraine, he mentioned the debt of the Ukrainian company *NAK Naftogaz*, which was bound to increase still more over the coming months because of the price increase imposed by Russia and Russia's announcement that it was ending the latest gas price discount which had been granted to Ukraine in exchange for extending the Russian Black Sea Fleet's lease on the base at Sevastopol in Crimea, an agreement which, according to Russia, was no longer applicable. He also reported that the Russian group *Gazprom*, which could be seriously affected by the European sanctions, was apparently planning to amend the 'take or pay' clause to force consumers to pay for the gas they had ordered, whether or not they actually took delivery.

Mr OETTINGER called for firm joint action by the European Union to step up with immediate effect measures to reduce the Union's dependency on Russian gas supplies in the medium term, advocating greater efforts in the area of energy efficiency, diversification of transit routes and the exploration of alternative energy resources, in particular. He therefore called for greater transparency concerning flows and volumes of supply, greater clarity about how storage capacities worked and a more rapid activation of reverse flows.

At the end of these presentations the Commission held a discussion in which the following main points were raised:

- concern about the gravity and pace of developments in Eastern Ukraine in recent days and Russia's flouting of the principles of international law; condemnation of Russian acts of provocation, which seemed to be moving from destabilisation

to escalating tensions using a strategy of *fait accompli*;

- support for clear, firm, united and swift action by the European Union; the need for the European Union to be the first actor on the international scene to adopt strong sanctions against Russia;
- hence the need, in some Members' view, to avoid the delays that would inevitably arise from consulting the Member States on the many sanction options which the Commission would be presenting in its discussion paper and the risk of failing to reach a consensus in such consultations, which would be extremely damaging;
- a request for more detailed information on the question of greater decentralisation to the local and regional authorities;
- on the question of energy, a reminder that the issue of introducing reverse gas flows at European level was a matter of extreme political sensitivity in certain Member States, given the pressure Russia was exerting on the Member States through which such reverse flows would pass and the threats of reprisals by Gazprom; a reference to the desire of the governments concerned to obtain some sort of European 'guarantee' in exchange.

Mr FÜLE replied to these comments by referring to the intense activity by the Ukrainian government and parliament, but also to the serious disorganisation which the country was experiencing. As regards the proposal to devolve more powers to local and regional authorities, he explained that this idea was not new, but it had always foundered on the refusal of the previous head of State, Viktor Yanukovych, to broach the subject. The Ukrainian Prime Minister had issued an encouraging political message during his visit to the east of the country the previous week. Moreover, the present government faced a political dilemma: it wanted to end the growing number of illegal and seemingly coordinated occupations of Ukrainian public buildings by Russian activists, and was even asking for the help of UN

peace-keeping forces to do so, but without giving Russia the slightest pretext for military intervention in the region, knowing that Russia had already massed large numbers of troops on Ukraine's borders.

The PRESIDENT said that in this complex, tense and extremely volatile situation, which was evolving from day to day, the Commission was doing everything within its powers to provide responses equal to the events that were taking place. In this context he mentioned the macro-financial assistance of €1.6 billion and the proposal on unilateral trade measures for Ukraine, the fact that the signing of the political chapters of the Association Agreement between the European Union and Ukraine had been brought forward, the creation within the Commission of a support group for Ukraine and the recent visit to Kiev by Mr FÜLE and Mr LEWANDOWSKI. As regards the decisions to be taken on the scenarios for sanctions against Russia, these were the prerogative of the Member States, hence the need, now more than ever, for close cooperation between the Commission, the national governments and the Council.

In this spirit he had suggested in his letter of 11 April to Heads of State or Government that the Commission reply, on behalf of the Union and its 28 Member States, to the letter which President Putin had sent to certain Member States only. He had also suggested in this connection that Mr OETTINGER act as contact person for all energy issues.

With regard to the forthcoming celebration in the Czech Republic of the fifth anniversary of the Eastern Partnership summit in Prague, he said that owing to other engagements he would not be able to attend this event, to which the Czech President had invited him, but that he would send a message to the participants and Mr FÜLE would be present on behalf of the Commission.

The PRESIDENT closed the discussion by repeating his desire for the Commission to remain at the heart of the initiative, to mobilise the support of the Member States,

and to do everything in its power to encourage European Union cohesion at this challenging time.

The Commission took note of this information and of the discussion paper distributed as SEC(2014) 283.

10. OTHER BUSINESS

10.1. OUTCOMES OF THE SPRING MEETINGS OF THE INTERNATIONAL MONETARY FUND AND WORLD BANK, AND OF THE G20 SUMMIT OF FINANCE MINISTERS AND CENTRAL BANK GOVERNORS (WASHINGTON, 11-13 APRIL 2014)

Mr KALLAS gave a brief account of the G20 meeting of finance ministers and central bank governors and of the Spring Meetings of the International Monetary Fund (IMF) and World Bank Group, held in Washington from 11 to 13 April, which he had attended as a stand-in for the Commissioner responsible, Mr REHN, who was on electoral leave.

Although the situation in Ukraine had dominated the discussions, Mr KALLAS said that with regard to the European Union, the member countries of these various assemblies had welcomed the return to growth, the recovery in macro-economic performance, and the adoption of the banking union project, which was considered to be an important step in the right direction. In terms of the international situation, the major problems covered had been the risk of deflation, the issue of access to liquidity, and the new structural problems faced by emerging countries, whose growth was expected to fall.

He also mentioned that a meeting of the G7 and two restricted meetings of

certain representatives of its Member States had been held around these events, on the subject of Russia and the possible sanctions against it.

The Commission took note of this information.

10.2. STATE OF PUBLIC OPINION IN EUROPE

Ms REDING presented the main results of the latest Eurobarometer survey on 'Europeans in 2014', which examined the state of public opinion a few weeks ahead of the European elections in May. She noted: (i) encouraging signs, particularly in terms of the positive perception citizens had of trends in the economy, especially in Ireland, in spite of appreciable differences between one Member State and another; (ii) renewed confidence in the Union despite increased disaffection with political parties; and (iii) a more optimistic perception of the developments in the labour market. She also stressed that public confidence in the EU institutions remained higher than the level of confidence in national governments, and that there was also a notable improvement in the perception of the value of voting in the European elections. On this point, she drew attention to the efforts made by the Commission in the framework of its Citizens' Dialogues, an effective communication tool.

A brief discussion followed, touching on the expediency of developing measures to raise awareness of EU policies in schools, and the positive results of Citizens' Dialogues, particularly amongst young people.

The PRESIDENT closed the meeting by stating that it was the last one before the Members of the Commission standing in the European elections went on electoral leave. He reminded the other Members that their presence would be essential at the forthcoming Commission meetings to provide the quorum required for discussions and the adoption of decisions. He wished the Commissioners about to embark on the electoral campaign every success.

The Commission took note of this information.

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The meeting closed at 14.43.