



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2015) 2113 final

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

Brussels, 18 February 2015

TEXTE EN

MINUTES

of the 2113th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 28 January 2015

(morning)

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Single sitting: Wednesday 28 January 2015 (morning)

The sitting opened at 9.16 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President	
Mr TIMMERMANS	First Vice-President	Items 1 to 12 (in part)
Ms GEORGIEVA	Vice-President	
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	
Mr OETTINGER	Member	Items 1 to 9/10 (in part)
Mr HAHN	Member	
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSSEN	Member	
Mr MOSCOVICI	Member	Items 1 to 11 (in part)
Mr HOGAN	Member	
Lord HILL	Member	
Ms BULC	Member	
Ms BIENKOWSKA	Member	
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	
Ms VESTAGER	Member	
Mr MOEDAS	Member	

Absent:

Ms MOGHERINI

High Representative /
Vice-President

Mr ARIAS CAÑETE

Member

Mr STYLIANIDES

Member

(28 January 2015)

*- English language version of the French text which is authentic -*The following sat in to represent absent Members of the Commission:

Mr MANSERVISI	Chef de cabinet to Ms MOGHERINI	
Ms LOBILLO BORRERO	Chef de cabinet to Mr ARIAS CAÑETE	Items 1 to 11 (in part)
Ms CHRISTOPHIDOU	Chef de cabinet to Mr STYLIANIDES	

The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	Items 7 (in part) to 12
Mr HETSCH	Deputy Director-General, Legal Service	Items 1 to 7 (in part)
Mr PESONEN	Deputy Director-General, DG Communication	
Mr SCHINAS	Head of the Spokesperson Service and Chief Spokesperson of the Commission	
Ms METTLER	Head of the European Political Strategy Centre	
Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	
Mr THOLONIAT	A member of the PRESIDENT's staff	Items 1 to 7, 11 and 12
Ms DEJMEK-HACK	A member of the PRESIDENT's staff	Item 11
Mr SZOSTAK	A member of the PRESIDENT's staff	Items 7 (in part) and 8
Mr SMULDERS	Chef de cabinet to Mr TIMMERMANS	Items 1 to 10
Mr ROMAkkANIEMI	Chef de cabinet to Mr KAITANEN	Item 11
Mr BALDWIN	Chef de cabinet to Lord HILL	Item 11
Mr HUSAK	Chef de cabinet to Ms BIEŃKOWSKA	Item 12
Mr COMPTOUR	A member of Ms BIEŃKOWSKA's staff	Item 12

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

The PRESIDENT paid tribute to Sir Leon BRITTAN, former Member and Vice-President of the Commission, who had died on 21 January 2015, and to Mr Karl-Heinz NARJES, former Member and Vice-President of the Commission, who had died on 19 January 2015.

‘It is with deep regret that I learned of Sir Leon BRITTAN's passing. During his ten years of service to the European Commission he held key posts on competition, trade, financial services and external relations policies. He demonstrated his total mastery of complex issues and was a strong advocate for the single market. A man of strong beliefs, a convinced European, he was skilful in translating political principles into action. In a globalising world, he saw the importance of keeping the European continent open to the wider world. That is what he believed in, fought for and achieved.

In all his dealings, Sir Leon BRITTAN was a man of great competence and conviction. Many who worked with him here remember him as an articulate, astute, and loyal Member of the DELORS and SANTER Commissions and as an inspiring leader. We in the European Commission, and I personally, will miss the man who made an important contribution to making the European Union what it is today and a dear friend for many.

On behalf of the Commission and in my own name, I offered my sincerest condolences to Sir Leon BRITTAN's family and friends.’

‘Der Tod von Karl-Heinz NARJES erfüllt mich mit großer Trauer. Wir verlieren in ihm einen Europäer der ersten Stunde, der voller Überzeugung, Entschlossenheit und Optimismus für das geeinte Europa und den europäischen Binnenmarkt gewirkt hat. Als Kabinettschef des ersten Kommissionspräsidenten Walter Hallstein und als

Generaldirektor für Presse und Information prägte der die Arbeit der Kommission bereits in ihren Anfangsjahren. Später gehörte er der Kommission für sieben Jahre an, erst als Kommissar für Binnenmarkt, Zollunion, industrielle Innovation, Umwelt und Verbraucherfragen und von 1984 bis 1988 als Vizepräsident für Industriepolitik, Forschung und Innovation. Seine Sachkunde, sein Engagement und sein Weitblick sind unvergessen.

Karl-Heinz NARJES hat die europäische Integration mitgeprägt und sie auch nach seinem aktiven politischen Leben mit wachem Auge weiter begleitet. Ich persönlich habe ihn als Minister für Wirtschaft und Verkehr des Landes Schleswig-Holstein kennen und schätzen gelernt. Die gesamte Europäische Kommission ist und bleibt ihm in tiefer Dankbarkeit verbunden. Er wird uns fehlen.

Im Namen der Kommission und in meinem eigenen Namen habe ich den Angehörigen und Freunden von Herrn Karl-Heinz NARJES mein aufrichtiges Beileid übermittelt.'

* * *

1. AGENDAS

(OJ(2015) 2113/FINAL; SEC(2015) 60/2)

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(2015) 2113)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 26 January.

3. MINUTES OF 2112TH MEETING OF THE COMMISSION (21 JANUARY) (PV(2015) 2112)

The Commission approved the minutes of its 2112th meeting.

4. INTERINSTITUTIONAL RELATIONS (RCC(2015) 4)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 23 January (RCC(2015) 4).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Trilogue

(point 3.1 of the IRG record)

- Fourth rail transport package – Interoperability of the rail system within the European Union (Directive – recast) – BILBAO BARANDICA report – 2013/0015 (COD)

The Commission approved the line set out in SI(2015) 16.

ii) Council dossier

(point 3.3 of the IRG record)

- Reduction of national emissions of certain atmospheric pollutants and amendment of Directive 2003/35/EC (Directive) – GIRLING report – 2013/0443 (COD)

The Commission approved the line set out in SI(2015) 14.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Programming of Council business

(SI(2015) 20)

The Commission took note of the information in SI(2015) 20 on the Council meetings between 29 January and 11 February.

iv) Non-legislative dossier

(point 4.1 of the IRG record)

- Position to be adopted, on behalf of the European Union, in the EEA Joint Committee established by the Agreement on the European Economic Area, as regards the replacement of Protocol 4 to that Agreement, on rules of origin, by a new Protocol which is aligned to the Regional Convention on pan-Euro-Mediterranean rules of origin (Council Decision) – 2014/0353 (NLE)

The Commission approved the line set out in SI(2015) 13.

v) Latest developments in the Council

(point 4.4 of the IRG record)

- Prevention of the use of the financial system for the purpose of money laundering and terrorist financing (Directive) – SARGENTINI / KARINŠ report – 2013/0025 (COD)

The Commission approved the line set out in SI(2015) 21/2.

4.3. RELATIONS WITH PARLIAMENT

- vi) Action taken on non-legislative resolutions adopted by Parliament at its November I and II part-sessions**
(point 5.6.2 of the IRG record)

The Commission approved document SP(2015) 28 on the action taken on the non-legislative resolutions adopted by Parliament at its November I and II part-sessions, for transmission to Parliament.

4.4. RELATIONS WITH THE NATIONAL PARLIAMENTS, THE OTHER INSTITUTIONS AND BODIES, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

- vii) Statement to the Joint Committee of Inquiry of the Irish Parliament (Dublin, 5 February 2015)**
(point 6.1.2 of the IRG record)

The Commission authorised Mr Mario NAVA, Director in the Directorate-General for Financial Stability, Financial Services and Capital Markets Union, to make a statement to the Joint Committee of Inquiry of the Irish Parliament, following the line set out in document SNP(2015) 3.

- viii) Follow-up to the contribution of the 52nd Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (Rome, 31 November to 2 December 2014)**
(point 6.1.3 of the IRG record)

The Commission approved document SNP(2015) 5 et /2 containing its reply to the contribution of the 52nd Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC), for transmission to the Presidency of COSAC.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2015) 61 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 19 and 23 January.

5.2. EMPOWERMENT

(SEC(2015) 62 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 19 and 23 January.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2015) 63 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 19 and 23 January, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2015) 64)

The Commission took note of the sensitive written procedures for which the time limit expired between 26 and 30 January.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2015) 65/4)

ADMINISTRATIVE MATTERS

(PERS(2015) 3/2)

6.1. DG HUMAN RESOURCES AND SECURITY – APPROVAL OF LIST OF CANDIDATES FOR HEAD OF EUROPEAN UNION DELEGATION POST IN TURKEY

(PERS(2015) 6)

The Commission took note of the information in point 1 of PERS(2015) 3/2 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, decided to approve the list of candidates for the AD13-14/AD13 post of Head of the EU Delegation in Turkey in PERS(2015) 6, which would serve as a basis for the competent authority of the European External Action Service to make a final appointment.

This decision would take effect immediately.

6.2. SECRETARIAT-GENERAL – COMMUNICATION TO THE COMMISSION ON ADMINISTRATIVE ARRANGEMENTS ON COOPERATION AND A TIMELY EXCHANGE OF INFORMATION BETWEEN THE EUROPEAN COMMISSION AND THE EUROPEAN ANTI-FRAUD OFFICE

(SEC(2015) 79)

The Commission approved the communication in SEC(2015) 79 and authorised the Secretary-General to sign the administrative arrangements on behalf of the Commission.

**6.3. ACTIVITIES OF A MEMBER OF THE COMMISSION AFTER
LEAVING OFFICE
(C(2015) 419)**

The Commission adopted the Decision set out in C(2015) 419.

The Commission decided that the activity planned by former Commissioner Mr Dacian CIOLOȘ involving participation in a brainstorming event to take place in February 2015 in Kazakhstan on the prospects for reform of agricultural policy in that country and, in that context, the conclusion of a short contract (of seven to nine days) with the World Bank to prepare the event, was compatible with Article 245(2) of the Treaty on the Functioning of the European Union (TFEU), provided that Mr CIOLOȘ fulfilled his obligations of discretion and collective responsibility and confidentiality under Article 245 TFEU and section 1.7 of the Code of Conduct for Commissioners.

The Commission instructed the Secretary-General to inform Mr CIOLOȘ of this decision and of the above condition.

**6.4. ACTIVITIES OF A MEMBER OF THE COMMISSION AFTER
LEAVING OFFICE
(C(2015) 420)**

The Commission adopted the Decision set out in C(2015) 420.

The Commission decided that the gainful activity planned by former Vice-President/High Representative Baroness ASHTON OF UPHOLLAND involving giving academic lectures at three universities in Boston (USA) between 3 and 7 March 2015 on the subject of relations between the European Union and the United States was compatible with Article 245(2) of the Treaty on the Functioning of the European Union (TFEU), provided that

Baroness ASHTON scrupulously fulfilled her obligations of discretion and collective responsibility and confidentiality under Articles 245 and 339 TFEU and section 1.7 of the Code of Conduct for Commissioners.

The Commission instructed the Secretary-General to inform Baroness ASHTON of this decision and of the above condition.

6.5. ACTIVITIES OF A MEMBER OF THE COMMISSION AFTER LEAVING OFFICE
(C(2015) 421)

The Commission adopted the Decision set out in C(2015) 421.

The Commission decided that the activity planned by former Commissioner Mr Andris PIEBALGS as member of the Board of Trustees of Friends of Europe was compatible with Article 245(2) of the Treaty on the Functioning of the European Union (TFEU), provided that Mr PIEBALGS refrained from lobbying the Commission and its departments for eighteen months after leaving the Commission should Friends of Europe decide to become involved in specific projects linked to development and ask for financial support from the European Union.

The Commission instructed the Secretary-General to inform Mr PIEBALGS of this decision and of the above condition.

6.6. ACTIVITIES OF A MEMBER OF THE COMMISSION AFTER LEAVING OFFICE
(C(2015) 422)

The Commission adopted the Decision set out in C(2015) 422.

The Commission decided:

- that the activity planned by former Commissioner Ms Androulla VASSILIOU as President of the Board of Trustees of the Bank of Cyprus Oncology Centre was compatible with Article 245(2) of the Treaty on the Functioning of the European Union (TFEU);
- that the activity planned by Ms VASSILIOU as member of the Board of Trustees of Friends of Europe was compatible with Article 245(2) TFEU, provided that Ms VASSILIOU refrained from lobbying the Commission and its departments for eighteen months after leaving the Commission should Friends of Europe decide to become involved in specific projects linked to education, culture, multilingualism and youth and ask for financial support from the European Union.

The Commission instructed the Secretary-General to inform Ms VASSILIOU of this decision and of the condition as regards her activity with Friends of Europe.

7. OTHER BUSINESS

LATEST ECONOMIC DEVELOPMENTS

The Commission spoke about the result of the general election in Greece and the economic situation in this country.

8. RELATIONS WITH NON-MEMBER COUNTRIES

RECENT DEVELOPMENTS IN EXTERNAL POLICY

In Ms MOGHERINI's absence, Mr HAHN took stock of the worsening situation in eastern Ukraine over the past week. He pointed out that the escalation in violence attributed to separatists in the Donbas region and in Mariupol had been directly behind Ms MOGHERINI's decision to convene an extraordinary Foreign Affairs Council on Thursday 29 January in Brussels.

Mr HAHN referred to the declaration adopted by the Heads of State and Government of the European Union on 26 January in order to condemn this wave of violence and record evidence of Russian support for the separatists. He confirmed that the Council would carry out an overall assessment of the situation in order to determine whether any additional action should be taken, including further restrictive measures where applicable. The EU Foreign Ministers had taken a firm and unanimous stance, stating that a full and rapid enforcement of the Minsk agreements was a prerequisite to any change in EU-Russian bilateral relations. While detailing the many regular contacts between Ms MOGHERINI, himself and all the relevant stakeholders, he noted with regret that Russia's position remained intransigent.

Given that the presence of Russian troops in eastern Ukraine could no longer be denied and there was evidence of significant Russian financial and military aid to the region's separatists, Mr HAHN stressed the need to take into account all aspects of what was a wider strategy to destabilise Ukraine's security, political system and economy. In addition to the illegal annexation of Crimea, on which he reiterated the EU's unwavering position of non-recognition, he highlighted the human cost of the conflict reflected in the 1.5 million displaced persons within Ukraine. More broadly, he also noted the troubling events in other Eastern European neighbourhood

countries and warned against the danger of 'frozen conflicts' proliferating on the EU's borders, quoting the example of Georgia.

Turning to the EU's relations with Ukraine in this regard, Mr HAHN recalled the very clear position of Mr Donald Tusk, President of the European Council, regarding the need for the EU to provide further support to the reform process in Ukraine necessary for its political and economic viability in the medium- and long-term. On this basis, he mentioned the 'trade' chapter of the detailed and comprehensive free-trade agreement, which was now in force and starting to bear fruit, as well as the EUR 365 million made available in the form of a state-building contract and support to civil society announced in spring 2014, and the proposal to award new macro-financial assistance worth a total of EUR 1.8 billion. In conclusion, he stressed the need to adhere to the conditions attached to the EU's assistance, i.e. Ukraine's ongoing commitment to implement the structural reforms that were more vital than ever in the present context.

At the end of this presentation, the Commission discussed the following issues in particular:

- support for the described approach to Russian compliance with the Minsk agreements as a prerequisite for any resumption of EU-Russian relations; regret, however, at Russia's steadily more aggressive stance within Ukraine; furthermore, reports of a number of worrying incidents, involving violations of media independence and other fundamental values, to which the EU should respond by adopting a strong and unified position against Russia;
- with regard to Ukraine, support from the Members of the Commission in terms of the need for the EU to provide further political, financial and technical support to the country, but also the related conditions, in particular effective implementation of the agreed reforms;
- in terms of the possibility recently raised by some Member States of

substantially increasing financial assistance to Ukraine, the need for the Commission to reiterate the existing budgetary limits; if there was the political will to go down this path, reference to the different options available; mention of the ongoing budgetary assessments aimed at producing accurate details of the resources available under heading 4 (Global Europe) of the EU's multiannual financial framework and a reminder of other significant funding needs in this respect, for example in relation to Syria and Iraq;

- the lengthy ongoing reform process in Ukraine and its significant cost to the EU, but emphasis too on the even higher political cost of no EU support;
- in terms of energy security, a review of the changing situation on the ground in Ukraine; on the one hand, the increasing reverse-flow capacity from the EU; on the other hand, the major difficulties Ukraine currently faced in order to pay its gas bills; the need, along with all the parties concerned, to address the issue of Gazprom's conditions for the supply of gas to Ukraine after March 2015 and the scheduled expiry of the 'winter package', and the potential instability that could result otherwise; the repercussions for the EU and the countries of Central and Eastern Europe in particular and ongoing measures to mitigate the risk of supply disruptions, particularly in the short term; the continuation of EU-Ukraine negotiations on all these aspects and the inescapable strategic importance of gas supplies passing through Ukraine, both to the latter and to the EU;
- at the same time, reference to ongoing projects in the energy sector against the background of the diversification of energy supply, including the impending launch of work on the new energy master plan for south-east Europe and other high-level meetings showing the EU's firm commitment in this sphere.

The PRESIDENT thanked Mr HAHN for presenting this information on behalf of Ms MOGHERINI. On the issue of the EU's budgetary constraints, he reiterated in particular the conclusions of the European Council of December 2014 stating that

the EU and its Member States stood ready, if need be, to further facilitate and support Ukraine's reform process under certain well-defined conditions.

The Commission took note of this information.

**9. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT
AND THE COUNCIL ON PROGRESS IN BULGARIA UNDER THE
COOPERATION AND VERIFICATION MECHANISM
(COM(2015) 36 AND /2; SWD(2015) 9 AND /2)**

**10. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT
AND THE COUNCIL ON PROGRESS IN ROMANIA UNDER THE
COOPERATION AND VERIFICATION MECHANISM
(COM(2015) 35 AND /2; SWD(2015) 8)**

Mr TIMMERMANS presented the two reports submitted to the Commission for approval, in agreement with Mr AVRAMOPOULOS and Ms JOUROVÁ. He reminded the meeting of the reason why the Cooperation and Verification Mechanism (CVM) had been established when both countries had joined the European Union in 2007, namely the need for further effort to overcome weakness in provisions upholding the rule of law, for example in judicial reform and the fight against corruption and organised crime. He confirmed that the Commission was still using the same ways as in previous years to ensure that its analyses were fair and impartial. He outlined the main conclusions for both Member States concerned.

For Bulgaria, the fact that the report revealed little tangible progress over the past year in the areas covered was partly due to major political instability in the country. He therefore welcomed the significant steps taken by the current government, which had a clear strategy for judicial reform, as well as its stated intention to clamp down

on corruption. Noting that the report had made a number of recommendations to the Bulgarian authorities, he hoped that those statements would be followed by systematic and consistent implementation of the announced measures.

For Romania, the positive trend noted in a number of areas during the previous year had been sustained in the year covered by the report. He particularly welcomed the continued momentum reflected in measures by the main judiciary institutions and in the fight against corruption. However, the report highlighted the need to consolidate and confirm progress in 2015.

In light of the Romanian experience, Mr TIMMERMANS stressed that action needed to be sustainable, so that it was important to maintain the CVM for a suitable period of time, even though it had not been designed as a permanent mechanism.

As for the perception of the CVM, the recent Eurobarometer survey showed that citizens in both Bulgaria and Romania were gradually regaining confidence in judicial independence and in the authorities responsible for fighting corruption – an indication that EU assistance was indeed helping uphold the rule of law.

Ms JOUROVÁ agreed with this assessment of the results achieved in Bulgaria and Romania over the past year. Recalling the Commission's consistent position on the transitional nature of the CVM, she proposed renewed discussions with the Member States concerned on conditions and factors which might lead the Commission to stop applying the mechanism in due course. Trends in justice systems in all EU Member States were also generally monitored under the EU Justice Scoreboard.

A discussion ensued, during which the Commission: (i) supported an approach aiming to stop applying the mechanism during its current term of office, if justified by progress, but without taking any hasty decisions; (ii) recommended continuing to apply the mechanism for the time being, recalling a number of problems involving procurement procedures in the Member States concerned; (iii) highlighted the

CVM's key contribution to employment and growth in the countries concerned and to the mobility of European workers and services in general; and (iv) recalled ongoing discussions in the European Parliament on the idea of extending the mechanism to other European countries to systematically monitor all of the Copenhagen criteria, with a recommendation that discussions continue in the Commission on a possible follow-up to the EU framework to strengthen the rule of law, which the Commission had adopted in 2014.

Mr TIMMERMANS expressed full support for the PRESIDENT's position that it should be possible to stop applying the CVM during the current Commission, if enough progress was made. However, declarations of intent should not be confused with actual measures effectively upholding the rule of law – hence the need for constant dialogue between national authorities and the Commission's departments, which he praised for their competence and constructive work.

The Commission adopted the reports in documents COM(2015) 36/2 and COM(2015) 35/2 for transmission to the European Parliament, the Council and, for information, national parliaments, together with the technical reports set out in staff working documents SWD(2015) 9/2 and SWD(2015) 8, the contents of which were noted.

11. POLICY DEBATE ON THE CAPITAL MARKETS UNION (SEC(2015) 78)

The Commission held a policy debate on the project for a Capital Markets Union – one of the ten most important priorities of the current Commission – in view of the preparation of a Green Paper which will be brought to the Commission on 18 February for approval.

12. COMMUNICATION TO THE COMMISSION ON GALILEO – WAY FORWARD

(SEC(2015) 77)

Ms BIENKOWSKA presented the communication on the next stages in the development of Galileo, the Union's satellite navigation programme, the first system to be designed and managed under civilian control and entirely owned by the Union, with a budget of EUR 7 billion for the period 2014-2020.

August's failed attempt to put the last two satellites deployed into orbit had received extensive coverage in the press, a clear indication of the interest of the media and the general public in this strategic project.

She noted that today's communication gave the new Commission the opportunity to demonstrate its political support for Galileo's development. The project had now reached a critical phase as the availability of Galileo's first services within one year at most would depend on the decisions taken today.

Ms BIENKOWSKA believed it important from a geopolitical and strategic standpoint that Europe should have autonomous and independent access to its own satellite navigation system. She drew attention to the risk inherent in a situation where several strategic sectors were dependent on a single satellite geo-location system, i.e. GPS. Other competing systems were being developed, such as GLONASS in Russia and BEIDOU in China, so Europe could not afford to lag behind.

She pointed out that, in economic terms, 7% of our economy depended on satellite navigation, a share that was expected to rise. She added that satellite navigation was used in many areas and was a source of industrial excellence, technological development and competitiveness in Europe.

On a final note she stated that the Commission's aim was to provide the first services from Galileo by 2016 at the latest with six satellites and the full range of services by 2020, with 30 satellites.

Referring to the risks that could arise at any time with most large infrastructure projects, particularly in the space field, Ms BIENKOWSKA said that Galileo was no exception to the rule, as the failed launch of the last two satellites had shown. However, every step had been taken to prevent such incidents re-occurring and the European Space Agency (ESA) was now able to recommend the resumption of launches.

She therefore believed that there was no longer any reason to postpone the next deployment of new satellites, especially as a delay of one year might jeopardise the marketing of Galileo's services and put competing systems at an advantage.

At this point Ms BIENKOWSKA told the Members of the Commission that two new satellites could be deployed using a Soyuz launcher as early as March, since the causes of the failed launch in August had been identified and corrective measures taken.

She added that the new European launcher, Ariane 5, would not be available until the end of the year or early 2016, but that its use would help to speed up the deployment of the constellation of satellites as Ariane 5 was able to launch four satellites at a time as opposed to two in the case of Soyuz.

On the issue of risk coverage, she thought that, in the light of the failure of the previous attempt at putting satellites into orbit, a new approach was needed to avoid threatening the future of the project. She announced therefore that a special insurance scheme was to be introduced in two stages, the first providing up to EUR 30 million to cover the launchers for the next seven launches, while the second would provide cover for the satellites under an insurance policy following a public procurement procedure.

Ms BIENKOWSKA concluded by asking the Commission to approve the next stages of the Galileo project and, more specifically, (i) the resumption, in line with ESA's recommendation, of satellite launches in March using a Soyuz launcher, and (ii) the special new insurance scheme proposed.

The ensuing discussion underlined the crucial role of the Union in Galileo's development and the need not to delay the deployment of satellites any longer to ensure that services were made available to users on schedule.

The PRESIDENT noted the Commission's unanimous backing for the continuation of the Galileo programme along the lines proposed.

The Commission adopted the communication in SEC(2015) 77.

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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 12.51.