



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2015) 2140 final

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

Strasbourg, 6 October 2015

TEXTE EN

MINUTES

of the 2140th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 30 September 2015

(morning)

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Single sitting: Wednesday 30 September 2015 (morning)

The sitting opened at 9.20 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President	
Ms GEORGIEVA	Vice-President	Items 1 to 9/12 (in part)
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	
Mr OETTINGER	Member	
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Ms THYSSEN	Member	
Mr MOSCOVICI	Member	Items 1 to 14 (in part)
Mr HOGAN	Member	
Lord HILL	Member	Items 1 to 14 (in part)
Ms BULC	Member	
Ms BIENKOWSKA	Member	
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	
Mr MOEDAS	Member	

Absent:

Mr TIMMERMANS	First Vice-President
Ms MOGHERINI	High Representative / Vice-President
Mr HAHN	Member
Mr ARIAS CAÑETE	Member
Mr AVRAMOPOULOS	Member
Mr STYLIANIDES	Member
Ms VESTAGER	Member

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

Mr SMULDERS	Chef de cabinet to Mr TIMMERMANS
Mr RENTSCHLER	Deputy Chef de cabinet to Ms MOGHERINI
Ms UDWIN	Deputy Chef de cabinet to Mr HAHN
Mr SCHELLEKENS	Deputy Chef de cabinet to Mr ARIAS CANETE
Ms SCHMITT	Chef de cabinet to Mr AVRAMOPOULOS
Mr ELING	Deputy Chef de cabinet to Mr STYLIANIDES
Ms JUUL-JØRGENSEN	Chef de cabinet to Ms VESTAGER

The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PESONEN	Director-General, DG Communication	
Mr SCHINAS	Head of the Spokesperson's 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	
Ms KRAMER	Director of Coordination and Administration in the PRESIDENT's Office	Items 1 to 8
Mr THOLONIAT	Adviser in the PRESIDENT's Office	Items 13 (in part) and 14 (in part)
Ms DEJMEK-HACK	Adviser in the PRESIDENT's Office	
Ms WERNER	Chef de cabinet to Ms GEORGIEVA	Items 1 to 14 (in part)

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Mr ILIEV	A member of Ms GEORGIEVA's staff	Item 14 (in part)
Mr ROMAkkANIEMI	Chef de cabinet to Mr KATAINEN	
Mr BALDWIN	Chef de cabinet to Lord HILL	
Ms WEYAND	Secretariat-General	Item 14
Ms ANDREEVA	Commission Spokesperson's Service	

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

1. AGENDAS

(OJ(2015) 2140/FINAL; SEC(2015) 373/FINAL)

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) 2140)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 28 September.

3. MINUTES OF 2139TH MEETING (23 SEPTEMBER)

(PV(2015) 2139)

The Commission approved the minutes of its 2139th meeting.

4. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

4.1. WRITTEN PROCEDURES APPROVED

(SEC(2015) 374 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 21 and 25 September.

4.2. EMPOWERMENT

(SEC(2015) 375 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 21 and 25 September.

4.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2015) 376 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 21 and 25 September, as archived in Decide.

4.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2015) 377)

The Commission took note of the sensitive written procedures for which the time limit expired between 28 September and 2 October.

5. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2015) 378)

ADMINISTRATIVE MATTERS

(PERS(2015) 90)

5.1. DG BUDGET – APPOINTMENT OF AD14/15 DIRECTOR

(PERS(2015) 73 TO /3)

The Commission had before it applications under Article 29(1)(a)(i) and (iii) of the Staff Regulations for the post of Director of the 'Central Financial Service' Directorate in DG Budget (PERS(2015) 73).

It took note of the opinions of the Consultative Committee on Appointments of 24 August and 10 September 2015 (PERS(2015) 73/2 and /3).

The Commission proceeded to compare the applicants' qualifications for the post. It also considered their ability, efficiency and conduct in the service. On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, it then decided to appoint Mr Olivier WAELBROECK to the post.

This decision would take effect on 1 October 2015.

5.2. SECRETARIAT-GENERAL – AMENDMENT OF THE ORGANISATION CHART AND INTERNAL PUBLICATION AT GRADE AD14/15 OF THE VACANCY NOTICE FOR THE POST OF DIRECTOR OF THE STRUCTURAL REFORM SUPPORT SERVICE (SRSS) (PERS(2015) 92)

The Commission noted the information in point 2 of PERS(2015) 90 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, and after consulting Mr DOMBROVSKIS, in charge of coordinating the work of the Structural Reform Support Service on behalf of the PRESIDENT, decided:

- to create a post of Director at grade AD14/15 in the Structural Reform Support Service;
- to approve the vacancy notice for this new post as set out in PERS(2015) 92 and to publish it in accordance with Article 29(1)(a)(i) and (iii) of the Staff Regulations;
- to amend the proposal on the initial recruitment of external staff as follows (see page 16 of the Minutes (PV(2015) 2131 final) of the meeting of the Commission of 17 June 2015): ‘that, apart from the Head of the new service (and one other management level official), any new staff

would be directly assigned from the Secretariat-General, seconded (placed at disposal) from their service of origin or taken on from the outside’.

These decisions would take effect immediately.

**5.3. DG ENERGY – LIST OF CANDIDATES FOR THE AD14 POST OF DIRECTOR OF THE JOINT UNDERTAKING FOR ITER AND THE DEVELOPMENT OF FUSION ENERGY (FUSION FOR ENERGY – F4E)
(PERS(2015) 72 TO /5)**

On a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT and after consulting Mr ARIAS CAÑETE and also Mr ŠEFČOVIČ and Mr KATAINEN, the Commission decided:

- to approve the alphabetical list of three candidates in point 3 of PERS(2015) 90 for the post of Director of the Joint Undertaking for ITER and the Development of Fusion Energy (Fusion For Energy – F4E) in Barcelona;
- to ask Mr ARIAS CAÑETE, the Member of the Commission responsible for Energy and Climate, to communicate this decision and the list of candidates to the Governing Board of the Joint Undertaking for ITER and the Development of Fusion Energy (Fusion For Energy – F4E).

These decisions would take effect immediately.

**6. DRAFT AMENDING BUDGET No 7 TO THE GENERAL BUDGET 2015 –
MANAGING THE REFUGEE CRISIS: IMMEDIATE BUDGETARY
MEASURES UNDER THE EUROPEAN AGENDA ON MIGRATION
(COM(2015) 485 AND /2)**

**7. PROPOSAL FOR A DECISION OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL ON THE MOBILISATION OF THE FLEXIBILITY
INSTRUMENT FOR IMMEDIATE BUDGETARY MEASURES UNDER THE
EUROPEAN AGENDA ON MIGRATION
(COM(2015) 486)**

The Commission:

- adopted the draft amending budget No 7 to the 2015 General Budget set out in COM(2015) 485/2 for transmission to the European Parliament and the Council, and, for information, to the national parliaments;
- adopted the proposal for a Decision on the Mobilisation of the Flexibility Instrument in COM(2015) 486, for transmission to the European Parliament and the Council, and, for information, to the national parliaments.

**8. INTERINSTITUTIONAL RELATIONS
(RCC(2015) 72)**

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Monday 28 September (RCC(2015) 72).

It paid particular attention to the following points.

8.1. LEGISLATIVE MATTERS

i) Trilogue

(point 3.1 of the IRG record)

- Free movement of citizens and businesses by simplifying the acceptance of certain public documents in the European Union and amending Regulation (EU) 1024/2012 (Regulation) – DELVAUX report – 2013/0119 (COD)

The Commission approved the line set out in SI(2015) 358.

ii) European Parliament dossiers – October I part-session

(point 3.2 of the IRG record)

Ordinary legislative procedure – First reading

- Approximation of the laws of the Member States relating to caseins and caseinates intended for human consumption and repealing Council Directive 83/417/EEC (Directive) – LA VIA report – 2014/0096 (COD)

The Commission approved the line set out in SP(2015) 546 and took note of the compromise text attached to that document.

- Amendment of Regulation (EC) 861/2007 of the European Parliament and of the Council of 11 July 2007 establishing a European Small Claims Procedure and Regulation (EC) 1896/2006 of the European Parliament and of the Council of 12 December 2006 creating a European order for payment procedure (Regulation) – GERINGER DE OEDENBERG report – 2013/0403 (COD)

The Commission approved the line set out in SP(2015) 548 and took note of the compromise text attached to that document.

- Payment services in the internal market, amendment of Directive 2002/65/EC, 2013/36/EU and 2009/110/EC and repealing Directive 2007/64/EC (Directive) – TAJANI report – 2013/0264 (COD)

The Commission approved the line set out in SP(2015) 550 and /2 and took note of the compromise text attached to SP(2015) 550.

- Amendment of Regulation (EU) 1303/2013 of the European Parliament and the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund with regard to specific measures for Greece (Regulation) – MIHAYLOVA report – 2015/0160 (COD)

The Commission approved the line set out in SP(2015) 549.

- Limitation of emissions of certain pollutants into the air from medium combustion plants (Directive) – GRZYB report – 2013/0442 (COD)

The Commission took note of the compromise text in SP(2015) 551, further to note SI(2015) 241/2, which it had already approved on 17 June.

iii) Council dossiers

(point 3.3 of the IRG record)

- Protection of individuals with regard to the processing of personal data by competent authorities for the purposes of prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and the free movement of such data (Directive) – LAURISTIN report – 2012/0010 (COD)

The Commission approved the line set out in SI(2015) 359.

- Amendment to Directive 2011/16/EU concerning the mandatory automatic exchange of information in the field of taxation (Council Directive) – FERBER report – 2015/0068 (CNS)

The Commission approved the line set out in SI(2015) 364.

8.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iv) Programming of Council business

(SI(2015) 371)

The Commission took note of the information in SI(2015) 371 on the Council meetings between 1 and 14 October.

v) Results of the informal meeting of Heads of State or Government – Migration (Brussels, 23 September)

(SI(2015) 362)

The PRESIDENT underlined the importance of the decisions adopted that day, the first of which concerned a draft amending budget to the 2015 General Budget, while the second concerned deploying the flexibility instrument to increase the financing of immediate measures to cope with the current refugee crisis (see also points 6 and 7 of these Minutes). He congratulated Ms GEORGIEVA and her departments on the quality of their work and the speed with which they had tackled this task once the Heads of State or Government had adopted these urgent measures at their informal meeting the previous week.

Ms GEORGIEVA reminded the meeting that these two proposals followed the adoption on 23 September of the Commission Communication on managing the refugee crisis, which set out a series of priority actions to be

rolled out over the next six months, including adjustments to be made to the 2015 budget and the draft budget for 2016.

Pointing out that draft amending budget No 7 proposed for 2015 would more than double the resources set aside for managing the refugee crisis, she added that it had been drawn up in record time to allow the EU to respond to this urgent situation. The additional measures proposed in the draft amending budget would result in a net increase in the level of the commitment appropriations of €330.7 million in the 2015 budget, while the level of payment appropriations remained the same in 2015, as most payments would have to be made in 2016.

The draft decision on the deployment of the flexibility instrument would, for 2016 and 2017, involve a sum that was €66.1 million higher than the ceiling envisaged in heading 3 of the Multiannual Financial Framework (security and citizenship).

The Member States should now be urged to contribute in the same proportion to the World Food Programme and the Trust Funds for Syria and Africa, which were also financing the response to the current crisis.

Ms GEORGIEVA ended by saying that Parliament and the Council could adopt these proposals before the next European Council was held on 15 October, provided that this was agreed by the Economic and Financial Affairs Council meeting on 6 October and by Parliament at its sitting on 14 October. She thought that the payments to the World Food Programme for Syrian refugees could also be made before the European Council was held.

The Commission took note of this information.

8.3. RELATIONS WITH THE EUROPEAN PARLIAMENT

- vi) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its July 2015 part-session**
(point 5.6.2 of the IRG record)

The Commission approved document SP(2015) 554 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its July 2015 part-session, for transmission to Parliament.

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

- vii) Relations with the European Ombudsman – Ombudsman's own-initiative inquiry (OI/8/2015/FOR) into the transparency of trilogues**
(point 6.2.1 of the IRG record)

The Commission took note of the line set out in SP(2015) 535 with a view to the adoption of the reply by the PRESIDENT under the powers delegated for that purpose.

9. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: ACTION PLAN ON BUILDING A CAPITAL MARKETS UNION (COM(2015) 468 TO /3; SWD(2015) 183 AND /2; SWD(2015) 184; RCC(2015) 74)

- 10. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL LAYING DOWN COMMON RULES ON SECURITISATION AND CREATING A EUROPEAN FRAMEWORK FOR SIMPLE, TRANSPARENT AND STANDARDISED SECURITISATION AND AMENDING DIRECTIVES 2009/65/EC, 2009/138/EC, 2011/61/EU AND REGULATIONS (EC) 1060/2009 AND (EU) 648/2012
(COM(2015) 472 AND /2; SWD(2015) 185; SWD(2015) 186; SEC(2015) 382; RCC(2015) 74)**
- 11. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING REGULATION (EU) 575/2013 ON PRUDENTIAL REQUIREMENTS FOR CREDIT INSTITUTIONS AND INVESTMENT FIRMS
(COM(2015) 473 TO /3; SWD(2015) 185; SWD(2015) 186; SEC(2015) 382; RCC(2015) 74)**
- 12. COMMISSION DELEGATED REGULATION (EU) .../... AMENDING COMMISSION DELEGATED REGULATION (EU) 2015/35 CONCERNING THE CALCULATION OF REGULATORY CAPITAL REQUIREMENTS FOR SEVERAL CATEGORIES OF ASSETS HELD BY INSURANCE AND REINSURANCE UNDERTAKINGS
(C(2015) 6588 TO /3; RCC(2015) 74)**

Lord Hill presented the major package of initiatives he was tabling for adoption by the Commission that day in order to create a Capital Markets Union and thereby implement one of the ten political priorities identified by the PRESIDENT in his Agenda for Jobs, Growth, Fairness and Democratic Change.

This ambitious project, which would be completed in 2019, would underpin the European Union's economic recovery, by unlocking capital that was currently dormant and stimulating long-term investment. This first set of measures thus aimed

to develop capital markets at EU level to serve the 28 Member States. This would be especially beneficial for those Member States which still had small capital markets and suffered from an acute lack of investment, two factors which hampered the growth of small and medium-sized enterprises, in particular.

Before going into details, he praised the valuable contribution by Mr KATAINEN, who had been a driving force, and the excellent cooperation on the preparation of this complex dossier within the Commission.

Certain parts of the proposals were highly technical, but Lord Hill summarised the significant benefits they would bring to Europe's economy and its citizens, stressing in particular that the Capital Markets Union would remove the obstacles that separated the capital held by investors from the possibilities for investment.

In other words, easier movement of capital within the European Union would give companies better access to loans to undertake the investment they needed to grow and to develop their markets, while also offering European citizens more possibilities for saving for their retirement. He dwelt particularly on the initiatives presented in the Action Plan on Building a Capital Markets Union, which envisaged a step-by-step approach and a combination of short-term actions and substantive measures for the longer term.

Among the short-term actions, he referred to the proposal for a Regulation on securitisation aimed at relaunching the European securities market on the basis of sound practices, by defining a common framework and differentiating a sub-group of products that could be classified as simple, transparent and standardised (STS). This approach would strengthen the banks' ability to issue loans.

As another example of the specific measures envisaged, he mentioned the steps aimed at promoting investment in European infrastructure, which would effectively complement the Investment Plan for Europe, explaining that the insurance sector had significant capital reserves that could be mobilised by a strategy tailored to its

needs.

As for the longer-term measures, Lord Hill said that consultations would begin shortly on developing venture capital markets and covered bond markets with a view to proceeding along these lines in cooperation with the stakeholders in the sector and gathering evidence on the financial services framework in the Union. Finally, he trusted that these proposals and the gradual approach adopted would be favourably received in the Council and the European Parliament.

Mr KATAINEN, for his part, stressed the direct link between this first package of practical measures connected with the Capital Markets Union and the Investment Plan for Europe and welcomed these important steps towards constructing a deeper, fairer internal market.

During a brief discussion, Commission Members highlighted (i) the collective approach taken throughout the preparation of this dossier, which had brought genuine added value, (ii) the importance, in terms of communication, of having a small number of simple, accessible messages focusing on the positive impact the Capital Markets Union would have on the EU's economic stability and particularly its resilience to banking shocks, and (iii) the College's willingness actively to support the implementation of this ambitious project.

The PRESIDENT thanked Lord HILL and Mr KATAINEN for their presentation of this package of proposals which were crucial to reviving investment for growth and jobs in Europe.

Mr KATAINEN also reported briefly on the outcome of his recent trips to China and Singapore. The visit to China was part of the high-level economic and trade dialogue following the EU-China summit in June, while the visit to Singapore had given him an opportunity, among other things, to meet representatives of two of the country's largest sovereign funds.

As far as the dialogue with Beijing was concerned, his meetings had confirmed the

clear desire for closer cooperation between the European Union and China on matters relating to investment. He was particularly pleased that the Chinese authorities had reiterated their intention to contribute to the Investment Plan for Europe, making China the first non-EU country to participate. It was now a question of identifying the most appropriate investment structures from the technical point of view.

Referring to his visit to Singapore, he mentioned the main issues of interest to his contacts, which, in this case too, included the creation of the Investment Plan for Europe, its impact on the European economy and the progress in terms of structural reforms in the Member States. The representatives of the two funds had indicated their intention to increase their investments in Europe, expressing confidence in the Union's gradual return to competitiveness.

The PRESIDENT thanked Mr KATAINEN and welcomed the encouraging results of these two visits.

After these presentations and the discussion, the Commission:

- approved the communication in COM(2015) 468/3, 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, the European Data Protection Supervisor and the national parliaments, together with the staff working documents SWD(2015) 183/2 and SWD(2015) 184, the contents of which were noted;
- adopted the proposal for a Regulation in COM(2015) 472/2, for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, and, for information, to the European Central Bank, the Committee of the Regions, the European Investment Bank and the European Data Protection Supervisor, together with the impact assessment

and the summary thereof in staff working documents SWD(2015) 185 and SWD(2015) 186, the contents of which were noted; it also took note of the opinion of the Impact Assessment Board distributed as SEC(2015) 382;

- adopted the proposal for a Regulation in COM(2015) 473/3, for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, and, for information, to the European Central Bank, the Committee of the Regions, the European Investment Bank and the European Data Protection Supervisor, together with the impact assessment and the summary thereof in staff working documents SWD(2015) 185 and SWD(2015) 186, the contents of which were noted; it also took note of the opinion of the Impact Assessment Board distributed as SEC(2015) 382;
- adopted the Delegated Regulation in C(2015) 6588/3, for transmission to the European Parliament and the Council.

13. INTERINSTITUTIONAL RELATIONS (CONTINUED)

(RCC(2015) 72)

RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

Preparation of the Competitiveness Council (Luxembourg, 1 October)

Ms BIENKOWSKA reported on her meeting the previous day with Herbert Diess, CEO of the Volkswagen Passenger Cars brand, who had informed her of the measures taken by the car manufacturer in relation to the installation of software programmed to reduce pollutant emissions in almost 11 million vehicles. According to the latest information, of the 11 million vehicles concerned, 5 million were in Europe.

From January 2016, a new EU Regulation would apply to the control of emissions

from vehicles sold in the EU, and these checks would in future be carried out under real conditions, rather than exclusively in a laboratory.

She also pointed out that the United States had a single regulatory authority for road-vehicle emissions, whereas the EU had one in each Member State. In the longer term, it would therefore be necessary to consider strengthening EU powers in this area.

In the short term, the issue would be on the agenda of the Competitiveness Council on 1 October. In that context, she had contacted the Ministers concerned and invited the Member States to conduct the necessary investigations at national level and inform her of the outcome. The Commission would facilitate the exchange of information. While the investigation to determine the extent of the fraud and identify those responsible was under way, the case had caused a crisis of confidence in the European car industry and affected the credibility of EU energy and environmental policies.

In the course of the discussion that followed, the Commission raised the following main points:

- the need to identify clearly those responsible for the fraud in order to take the necessary steps to prevent future circumvention of the rules on pollutant emissions from road vehicles;
- the importance of proper communication, in particular with the public, to mitigate the effects of the crisis of confidence in the car industry, while all the details of the fraud were not yet known;
- the need for prompt agreement with the Member States on the measures to be taken to ensure that the measurement of pollutant emissions from motor vehicles reflected emissions in real driving conditions and was not falsified by rigged applications;

- whether to consider establishing a single regulatory authority at EU level, as was already the case in the air transport sector;
- the competition between diesel-engine and petrol-engine manufacturers, which formed the backdrop to the Volkswagen affair, could be exploited in that regard;
- the potential impact on the ongoing Transatlantic Trade and Investment Partnership (TTIP) negotiations with the US;
- the need to prevent the crisis of confidence spreading to all European car manufacturers.

The Commission took note of this information.

14. POLICY DEBATE ON THE « EUROPE 2020 » STRATEGY

(SEC(2015) 384; RCC(2015) 75)

Mr KATAINEN opened the policy debate on the future of the « Europe 2020 » Strategy and referred to the background note designed to help steer the debate.

He began by reiterating that the EU had produced this strategy in 2010 on a proposal from the Commission with the aim of creating the conditions for smart, sustainable and inclusive growth by 2020. This entailed boosting EU competitiveness by developing new sources of growth and job creation while at the same time maintaining the EU's social market economy model and improving its energy efficiency. The Commission had thus implemented a tool capable of guiding the Member States in their approach to the shared goals to be achieved in terms of jobs, research and innovation, education, climate and energy policies, and combating poverty.

However, although the impact of this strategy had been positive on certain issues, it

had clearly also produced mixed results in terms of some of these goals. Therefore, Mr KATAINEN was using the strategy's mid-term review five years on to raise the idea of a broad-based discussion on the future of the « Europe 2020 » Strategy, the contours of which would be finalised at a later stage in the wake of the initial exchange of views proposed to the Commission that day.

He added that both the Commission Work Programme 2015 and the letter of intent from the Commission to the European Parliament and the Council accompanying the PRESIDENT's State of the Union address of 9 September last made reference to launching a debate on the strategy's future.

Mr KATAINEN therefore reviewed the initial main options for debate submitted to the Commission: (i) dropping the strategy entirely on the basis that the crisis had rendered it obsolete; (ii) continuing the strategy in its current form, since it had played a useful role in some spheres, for example by implementing large-scale sectoral programmes at the European level such as the « Horizon 2020 » research and innovation programme; (iii) relaunching it in order to optimise its contribution to present and future priorities.

More generally, he explained that the mid-term review of the « Europe 2020 » Strategy could provide the opportunity to draw lessons from the economic and financial crisis, adapt the strategic framework more effectively to the ten political priorities set out by the PRESIDENT for this Commission's term of office – which plotted a general course for the EU over the next five years – and also, finally, take a more long-term view.

Moreover, although the strategy's initial fundamental choices were still relevant, Mr KATAINEN noted that today the focus should be shifted to the tools to ensure that the strategy's goals were reached in practice.

To bring this about, he proposed a debate on ways to optimise existing instruments such as the Multiannual Financial Framework (MFF), the European Semester and

the Commission Work Programme, highlight Member States achieving good results, draw inspiration from best practices established outside the EU, and encourage all stakeholders in the Member States to become more involved in the « Europe 2020 » Strategy.

Based on the four questions raised in the background note, a detailed discussion then took place, during which the Members of the Commission focused on the following issues:

First question: Do you consider that the « Europe 2020 » Strategy is: a) obsolete, and thus to be abolished; b) relevant and delivering, and thus to be maintained as it is; c) potentially important if properly rebooted on today's and tomorrow's priorities?

- the usefulness of a sustainable medium- and long-term economic and social development strategy providing the Member States' governments with a framework for action;
- acknowledgement of the merits of the current « Europe 2020 » Strategy, particularly in terms of rationalisation, and the importance of maintaining a degree of continuity;
- overall support for the need to have policy coherence and thus the idea of adapting the « Europe 2020 » Strategy to the ten priorities set out by the PRESIDENT in his political guidelines, in order to make the exercise credible;
- the suggestion from some to take account of the sustainable development goals at global level adopted by the United Nations the previous week;
- the focus to be placed on effective means of implementing the strategy, in order to remedy the current version's deficiencies and those of previous strategies for growth launched by the EU, such as the Lisbon Strategy implemented from

2000 to 2010; some suggested examining possible ways to consolidate the Commission's monitoring role; others highlighted the responsibility of the Member States with regard to implementing the strategy;

- the need for greater involvement in the strategy not just of the governments of the Member States, but also civil society, national parliaments, regions, local authorities, businesses and all stakeholders; hence overall support for the goal of finding more effective ways to achieve broader ownership of the strategy at national level;

Second question: Which « Europe 2020 » themes have become more or less prominent since 2010, notably in the light of the crisis?

- the valid reasons for investing more than ever in human capital in order to meet the Union's needs for growth and prosperity, in particular through public policies on employment, social justice, health and education;
- in general, the idea of highlighting the impact of inequality on growth; the merits of focusing special attention on the challenges of early school-leaving, graduate unemployment and low-paid workers;
- the need to incorporate new strands in the « Europe 2020 » Strategy, for example managing the challenges of migration, particularly in terms of social integration and qualifications;
- the suggestion by some participants that certain objectives, for example on energy and climate change, be reconsidered, given the emergence of new global structural trends;
- the vital need for an intelligent industrial strategy at EU level; emphasis of the efforts being made in the EU to promote sustainable re-industrialisation and the potential for job creation in the sectors concerned; the case for a stronger link with research strategy;

Third question: Are the headline targets of « Europe 2020 » still relevant for policy action? Do you agree that the reviewed strategy should also set scope beyond 2020?

- the need, felt by some, to give the strategy a new impulse and a new image and to adapt its targets to the new political and economic realities that had emerged, particularly following the crisis;
- the importance for others of not starting from scratch, as the « Europe 2020 » Strategy had proved its worth in certain fields; the need for stability and achievable targets for the Member States; a warning against any change at this stage in the strategy's five headline targets, as this could be interpreted as a way of scaling down the Commission's ambitions; the suggestion that the current quantified targets be kept while improving the tools for achieving them;
- the need in any event for consultation with the Member States before any change in the quantified targets;
- as regards the time frame, support from some for the idea of linking the horizon of the revised strategy to that of the next Multiannual Financial Framework, beyond 2020; the need to regard 2020 as merely an intermediate stage towards 2030 or even 2050; the suggestion that a rolling plan and more frequent reviews be introduced;

Fourth question: Do you agree that we need to focus more on the tools and delivery to maximise the strategy's usefulness, visibility and ownership? What tools would be more effective?

- support for the idea of establishing a firm link between the « Europe 2020 » Strategy and the Multiannual Financial Framework and also with the European Semester exercise in economic and fiscal governance and coordination;
- a desire to avoid at all costs the creation of a new bureaucratic process.

The PRESIDENT thanked all those who had contributed to this initial general discussion. He asked Mr TIMMERMANS, who was responsible for sustainable development, and Mr KATAINEN, who was responsible for growth and employment, to examine the long-term issues in more depth and to pursue the dialogue with the Member States, the European Parliament, the national parliament and the relevant stakeholders.

He noted that the Commission had a programme of action to be implemented between now and 2019 based on its political guidelines, as part of which it had been decided to rationalise and simplify the European Semester. He therefore wanted to avoid adding a new process and additional priorities to what already existed, as this would detract from the clarity of the rationalisation exercise.

He agreed that there should be no change in the current targets of the « Europe 2020 » Strategy, which underpinned the European Semester and the Multiannual Financial Framework. He also mentioned the positive effects of the current « Europe 2020 » Strategy, which had, for example, served as a launchpad for such ambitious projects as the Capital Markets Union which the Commission was adopting that day. Nevertheless, he could see some benefit in defining a long-term strategy for the period after 2020, whether it be up to 2030 or 2050, and in marking out the steps to be taken along the way.

He wound up the discussion by asking Mr TIMMERMANS and Mr KATAINEN to give further consideration to such a strategy and discuss it with the relevant players so that towards the summer of 2016 the College of Commissioners could be presented with an overview of the possible options for outlining a longer-term strategy, on the basis of which the Commission would decide what action it intended to take.

The Commission took note of the results and conclusions of the policy debate and of the discussion paper distributed under the authority of the PRESIDENT and Mr KATAINEN as SEC(2015) 384.

Before closing the meeting, the PRESIDENT announced that the Commission would receive His Majesty Willem-Alexander, King of the Netherlands, in Brussels on 3 November. He stressed the importance of certain Vice-Presidents and other Members of the Commission attending the various events that would be organised on that occasion. The Vice-Presidents and Members concerned would be contacted by the PRESIDENT's office regarding this matter.

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The meeting closed at 11.12.