



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

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- English translation of the French version which is authentic -

Brussels, 20 July 2021

TEXTE EN

MINUTES

of the 2382nd meeting of the Commission

held in Brussels

(Berlaymont)

on Tuesday 15 June 2021

(afternoon)

PV(2021) 2382 final

- English translation of the French version which is authentic -

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Single sitting: Tuesday 15 June 2021 (afternoon)

The sitting opened at 15.35 with Ms von der LEYEN, President, in the chair. Items 12.2 (in part) and 12.4 were chaired by Mr TIMMERMANS.

Present:

Ms von der LEYEN	President	Items 1 to 12.2 (in part)
Mr TIMMERMANS	Executive Vice-President	Items 10 to 12.4
Ms VESTAGER	Executive Vice-President	
Mr DOMBROVSKIS	Executive Vice-President	Items 1 to 11, and 12.4
Mr BORRELL i FONTELLES	High Representative / Vice-President	Items 1 to 12.2
Mr ŠEFČOVIČ	Vice-President	Items 1 to 12.4 (in part)
Ms JOUROVÁ	Vice-President	
Ms ŠUICA	Vice-President	
Mr SCHINAS	Vice-President	
Mr HAHN	Member	Items 1 to 12.2 (in part)
Ms GABRIEL	Member	
Mr SCHMIT	Member	
Mr GENTILONI	Member	
Mr BRETON	Member	Items 1 to 11 (in part)
Ms FERREIRA	Member	Items 1 to 12.2
Mr REYNDERS	Member	Items 1 to 9 (in part)
Ms DALLI	Member	
Ms JOHANSSON	Member	
Mr LENARČIČ	Member	
Ms VÁLEAN	Member	Items 1 to 10 (in part)
Mr VÁRHELYI	Member	Items 10 (in part) and 11 (in part)
Mr SINKEVIČIUS	Member	Items 1 to 12.1 (in part)
Ms McGUINNESS	Member	

Absent:

Mr WOJCIECHOWSKI	Member
Ms KYRIAKIDES	Member
Ms URPILAINEN	Member
Ms SIMSON	Member

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

Mr GOLUBIEWSKI	Chef de cabinet to Mr WOJCIECHOWSKI	Items 1 to 12.4 (in part)
Ms OJALA	Deputy Chef de cabinet to Ms KYRIAKIDES	
Mr LAHTI	Chef de cabinet to Ms URPILAINEN	
Mr KADARIK	Deputy Chef de cabinet to Ms SIMSON	

The following also sat in:

Mr SEIBERT	Chef de Cabinet to the PRESIDENT	Items 1 to 12.2 (in part)
Mr CALLEJA CRESPO	Director-General, Legal Service	
Ms AHRENKILDE HANSEN	Director-General, DG Communication	
Mr MAMER	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	Items 1 to 12.2 (in part)
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's Office	
Ms CABRAL	Adviser in the PRESIDENT's Office	Item 11
Ms SCHULTZ	Policy Coordinator in the PRESIDENT's Office	
Ms PERIGNON	Deputy Chef de cabinet to Mr REYNDERS	Items 9 (in part) to 12.4
Mr KRISTÓFFY	Chef de cabinet to Mr VÁRHELYI	Items 1 to 10 (in part)
Ms SPINANT	Deputy Chief Spokesperson of the Commission	

Mr THYGESEN	Chairman, European Fiscal Board	Item 12.4
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Mr LARCH	Secretariat-General	Item 12.4
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Secretary: Ms JUHANSONE, Secretary-General, assisted by Ms ALLOUIS-LE LOSTEC, Head of Unit in the Secretariat-General.

1. AGENDAS

(OJ(2021) 2382/FINAL; SEC(2021) 2382/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(2021) 2382)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 14 June 2021.

3. APPROVAL OF THE MINUTES OF THE 2378TH, 2379TH, 2380TH AND 2381ST MEETINGS OF THE COMMISSION (18 AND 26 MAY, 2 AND 8 JUNE 2021)

The Commission held over approval of the minutes of its 2378th, 2379th, 2380th and 2381st meetings.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2021) 126)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held by videoconference on Friday 11 June 2021 (RCC(2021) 126).

The Commission approved the lines proposed for the following points:

- **Multiannual Financial Framework 2021-2027 – Instrument for Pre-accession Assistance (IPA III) (Regulation) – ZOVKO & PICULA report – 2018/0247 (COD)**

Line set out in SI(2021) 182/2.

- **Multiannual Financial Framework 2021-2027 – Brexit Adjustment Reserve (Regulation) – ARIMONT report – 2020/0380 (COD)**

Line set out in SI(2021) 189/2.

- **Amendment of Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009 relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability (Directive) – CHARANZOVÁ report – 2018/0168 (COD)**

Line set out in SI(2021) 192.

- **Roaming on public mobile communications networks within the Union (Regulation – recast) – WINZIG report – 2021/0045 (COD)**

Line set out in SI(2021) 190.

- **European Union Agency for Asylum and repeal of Regulation (EU) No 439/2010 (amended proposal for a Regulation) – YONCHEVA report – 2016/0131 (COD)**

Line set out in SI(2021) 197.

- **Declaration on the European Platform on Combatting Homelessness**

Line set out in SI(2021) 194/2.

- **Amendment of Council Recommendation (EU) 2020/1475 of 13 October 2020 on a coordinated approach to the restriction of free movement in response to the COVID-19 pandemic (Council Recommendation) – 2021/0138 (NLE)**

Line set out in SI(2021) 184.

- **Commission draft Implementing Regulation (EU) .../... of ... 2021 setting out technical and operational specifications of the technical system for the cross-border automated exchange of evidence and application of the ‘once-only’ principle in accordance with Regulation (EU) 2018/1724 of the European Parliament and of the Council**

Line set out in SI(2021) 195.

The Commission took note of the following points:

- **Draft guidelines on the application of Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget**

Information set out in SPI(2021) 29.

- **Adequate minimum wages in the European Union (Directive) – RADTKE & JONGERIUS report – 2020/0310 (COD)**

Information set out in SI(2021) 183/2.

- **Digital operational resilience for the financial sector and amendment of Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014 and (EU) No 909/2014 (Regulation) — KELLEHER report – 2020/0266 (COD)**

Information set out in SI(2021) 191.

- **Results of Parliament’s June I 2021 part-session**

Information set out in SP(2021) 370.

**5. COORDINATION OF EXTERNAL ACTION
(RCC(2021) 31)**

The Commission took note of the operational conclusions in RCC(2021) 31 of the meeting of the Group for External Coordination (EXCO) held by videoconference on Wednesday 9 June 2021.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

**6.1. WRITTEN PROCEDURES APPROVED
(SEC(2021) 220 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 7 and 11 June 2021.

**6.2. EMPOWERMENT
(SEC(2021) 221 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 7 and 11 June 2021.

**6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2021) 222 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 June 2021 archived in Decide.

**6.4. SIGNIFICANT WRITTEN PROCEDURES
(SEC(2021) 223 AND /2)**

The Commission took note of the significant written procedures for which the time limit expired between 14 and 18 June 2021.

**6.5. GRANTING OF EMPOWERMENTS AND DELEGATED POWERS –
UPDATING OF CERTAIN EMPOWERMENTS AND DELEGATIONS
GRANTED PRIOR TO THE CREATION OF THE DIRECTORATE-
GENERAL FOR DEFENCE INDUSTRY AND SPACE
(C(2021) 4231)**

The Commission adopted the decision in C(2021) 4231.

It decided to update certain empowerments and delegations and decided to delegate to the Director-General of DG Defence Industry and Space, in agreement with the PRESIDENT, the power to adopt, on behalf of the Commission and under its responsibility, certain measures, subject to the conditions laid down in the Decision.

**7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2021) 224)**

**ADMINISTRATIVE MATTERS
(PERS(2021) 51)**

**7.1. SECRETARIAT-GENERAL / REGULATORY SCRUTINY BOARD –
APPOINTMENT OF AN AD15 DIRECTOR
(PERS(2021) 51)**

On a proposal from Mr HAHN, in agreement with the PRESIDENT, and after consulting Mr ŠEFČOVIČ, the Commission decided to transfer in the interest of the service, under Article 7 of the Staff Regulations, Mr James MORRISON, an AD15 official, currently Principal Adviser for the Security Union at the Secretariat-General, to the post of Director - Member of the

Regulatory Scrutiny Board, at the Regulatory Scrutiny Board. The conditions provided for in the second paragraph of Article 44 of the Staff Regulations shall apply to this function.

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

7.2. DG HUMAN RESOURCES AND SECURITY – APPROVAL OF A LIST OF CANDIDATES FOR THE POST OF HEAD OF THE EUROPEAN UNION DELEGATION TO CABO VERDE (AT GRADE AD9/14) (PERS(2021) 52)

On a proposal from Mr HAHN, in agreement with the PRESIDENT, the Commission decided to approve the list of candidates for the post of Head of the EU Delegation to Cabo Verde (at grade AD9/14) set out in PERS(2021) 52.

The competent authority of the European External Action Service would make the final appointments on the basis of this list.

This decision would take effect immediately.

7.3. DG HUMAN RESOURCES AND SECURITY – APPROVAL OF A LIST OF CANDIDATES FOR THE POST OF HEAD OF THE EUROPEAN UNION DELEGATION TO NICARAGUA (AT GRADE AD9/14) (PERS(2021) 53)

On a proposal from Mr HAHN, in agreement with the PRESIDENT, the Commission decided to approve the list of candidates for the post of Head of the EU Delegation to Nicaragua (at grade AD9/14) set out in PERS(2021) 53.

The competent authority of the European External Action Service would make the final appointments on the basis of this list.

This decision would take effect immediately.

8. OTHER BUSINESS

RESULTS OF THE G7 SUMMIT (CORNWALL, UNITED KINGDOM, 11 TO 13 JUNE), THE EU-CANADA SUMMIT (BRUSSELS, 14 JUNE) AND THE EU-UNITED STATES SUMMIT (BRUSSELS, 15 JUNE)

The PRESIDENT reported first on the **EU-US summit** held that morning, at which the two partners had agreed to intensify work to end the coronavirus pandemic, prepare for possible future global health crises and promote a sustainable global recovery. To a considerable extent, the two sides' views converged on a wide range of common priorities. The main message of this first meeting with the US President, Joe BIDEN, was that the United States was back and called on like-minded countries to join forces to defend democracy and fundamental rights.

The EU and the United States shared the same concern at the growing influence of authoritarian regimes around the world. This state of affairs, which had been a common thread in the discussions with the US President, justified the call for democracies to mobilise to defend their values firmly and, where necessary, to combat the influence of certain authoritarian regimes.

There was also a convergence of views on economic policy and, in particular, on the need to pursue an expansionary fiscal strategy globally to tackle the crisis triggered by the pandemic.

The US and the EU had also agreed to continue fighting COVID-19 through global cooperation. This was a priority, as no country would be safe from the pandemic until the whole world was safe. It had therefore been decided to promote universal, fair and affordable access to safe and effective vaccines, diagnostic methods and treatments against COVID-19 and to facilitate their provision to third countries. Against that background, the EU and the US would continue to support the

ambitious objective of the COVAX facility to provide two billion doses of vaccine worldwide by the end of 2021.

The PRESIDENT said that there was also a considerable convergence of views between the EU and the US Government on climate change. She noted in particular the US President's focus on the social aspects of the green and digital transition, the aim being to ensure that no-one was left behind in this process of transforming the economy and society.

She welcomed the prospect of enhanced EU-US technological cooperation to develop a circular economy, which had given rise to the setting-up of an 'EU-US High-Level Climate Action Group' to coordinate the two sides' efforts to put the Paris Climate Agreement into practice. Work had also been launched to establish a Transatlantic Green Technology Alliance that would encourage the development and deployment of these technologies on a large scale.

The summit's foreign affairs session had focused on relations with Russia and China. The United States was particularly concerned about Chinese expansionism. From a European perspective, she highlighted the importance of protecting the EU market from unfair competition and ensuring a level playing field. She noted a systemic rivalry between democracies and market economies on the one hand, and the Chinese economic and political system on the other. The US authorities intended to raise the question of the widespread use of forced labour in China.

Lastly, the PRESIDENT referred to the implementation of the Protocol on Ireland/Northern Ireland in the context of the application of the agreement on the withdrawal of the United Kingdom from the European Union. She confirmed that Joe BIDEN had called on the UK authorities to respect the protocol even before he had left for Europe. He had made this point again during the summit, as the Canadian Prime Minister had also done during the EU-Canada summit.

The Member States taking part in the G7 had also agreed on a joint message to remind the United Kingdom that it must comply with its international obligations,

be it the Withdrawal Agreement and the Protocol on Ireland/Northern Ireland or the Trade and Cooperation Agreement signed since then by the two parties.

The PRESIDENT then turned to two of the main results of the EU-US summit, namely (i) the agreement on large civil aircraft, which had brought an end to a dispute in the World Trade Organisation dating back almost 17 years and which provided for the five-year suspension of customs duties detrimental to businesses on both sides of the Atlantic amounting to USD 11.5 billion, and (ii) the creation of a Trade and Technology Council which would provide the United States and the European Union with a forum to coordinate their approaches to major global issues in the fields of trade, the economy and technology, and to deepen transatlantic trade and economic relations based on shared democratic values.

Ms VESTAGER welcomed the end of the dispute between Airbus and Boeing and the creation of a Trade and Technology Council, which would make it possible to define long-term forms of cooperation based on shared objectives. However, some of the areas of cooperation identified would necessarily entail difficult conversations with the US authorities, in particular on personal data protection, with the renegotiation of SCHREMS II, or on the development of common standards in the artificial intelligence field.

The PRESIDENT briefly mentioned the **EU-Canada summit** held in Brussels on 14 June, where she had also observed a significant degree of convergence on most political priorities. The leaders of the EU and Canada had undertaken to work together to end the COVID-19 pandemic and drive a sustainable global recovery. The summit had confirmed the importance of the EU-Canada partnership in a changing global landscape with a view to cooperating on climate change and maximising the potential of innovation, trade and technology.

She also noted the complementarity between the discussions held and the topics discussed at the EU-Canada and EU-US summits, on the one hand, and the **G7 summit** organised by the UK Presidency from 11 to 13 June in the

United Kingdom, on the other. The main message that had emerged was the importance of concerted action at international level, particularly in the health field. She felt that the G7 should take the lead in global efforts to build the post-COVID-19 world in close cooperation with international organisations and putting multilateralism at the heart of its endeavours.

The Commission took note of this information.

**9. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, AND THE COMMITTEE OF THE REGIONS – DRAWING THE EARLY LESSONS FROM THE COVID-19 PANDEMIC
(COM(2021) 380 TO /3; RCC(2021) 134)**

The PRESIDENT praised the excellent work which had led to the Commission presenting that day a Communication setting out the first lessons learned from the COVID-19 pandemic from a health policy perspective. The document highlighted the internal action the EU needed to take better to prepare itself for the possibility of another pandemic, on the one hand, and the external action required at international level better to handle such an eventuality, on the other, particularly by establishing an early warning system and endowing the World Health Organization with investigative powers. Generally speaking, the PRESIDENT endorsed the idea that within the EU, health matters should continue to be dealt with at the level of Heads of State or Government.

Mr SCHINAS explained that this Communication came in response to a request from the European Council, and would be presented at its next meeting on 24 and 25 June. He confirmed that these initial lessons drawn from the current pandemic focused on the health aspects of the crisis, not the economic aspects.

When the COVID-19 pandemic erupted, the EU faced two major difficulties. First, like the rest of the world, it was not prepared for such an event. Second, it had few powers under the Treaties to take action in the field of health. Despite these obstacles, Mr SCHINAS considered that the Commission could be satisfied with the package of measures it had proposed and deployed by drawing on all the means of action provided for under the Treaties.

The initiatives taken by the EU in response to the health crisis were completely unprecedented, from the joint purchase of vaccines to the creation of the Digital COVID Certificate, the introduction of Green Lanes for cross-border transport during periods of restrictions on freedom of movement, and the decisive European contribution to setting up the global COVAX initiative to distribute vaccines to lower- and middle-income countries. These were all achievements of which the EU could be proud.

However, Mr SCHINAS regretted that at each of these stages the EU had not publicised its rapid, ambitious and coherent actions forcefully enough.

Although many uncertainties remained, he considered the Communication presented that day to be particularly timely. It drew 10 lessons from the recent period and proposed 10 ways of taking them into account in future. Without listing all of them, Mr SCHINAS gave a few examples of these measures, such as the suggestion of establishing a European surveillance system for epidemics, appointing a European Chief Epidemiologist, introducing a new framework of procedures for health emergencies, developing a European Health Union (in particular strengthening the mandates of the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA)), creating a joint European platform for clinical trials, continuing the ‘Team Europe’ efforts regarding donations of vaccine doses to third countries, and providing a coordinated response to disinformation on health matters.

As health policy mainly came under the responsibility of the Member States, he recommended explaining that the measures proposed by the Commission were not intended to replicate those taken at national level, but rather to bring added value by helping the Member States, on the basis of an objective analysis, to address the systemic weaknesses in their healthcare systems, in particular within the framework of national plans under the Recovery and Resilience Facility.

Mr SCHINAS concluded his presentation by mentioning the calls for health to be the major theme of the Conference on the Future of Europe; he recommended a balanced approach in this regard.

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

- the College's support for this welcome initiative;
- resources devoted to public health were investments, not costs;
- an emphasis on one of the revelations of the COVID-19 pandemic, which had demonstrated in very real terms that nature has a direct impact on the economy;
- the importance for the future of learning economic lessons from the European management of the health crisis, which was not the subject of the present Communication, to emphasise the speed of the EU's coordinated approach; a reminder that this response had, since March 2020, enabled the Member States to use the tools at their disposal and the EU to mobilise its own resources to implement innovative and ambitious measures, from the European instrument for temporary support to mitigate unemployment risks in an emergency (SURE), to the NextGenerationEU recovery plan;
- the observation that, although health primarily fell within the remit of the Member States, the EU played an important role in, for example, supporting research as it had done in the field of vaccines against COVID-19;

- within the framework of the Conference on the Future of Europe, health was one of the 10 main subjects proposed for discussion with citizens; the outcome of this debate should not be prejudged.

The PRESIDENT reported that over and above the purely health-related aspects, the Commission would subsequently produce a full report on the lessons to be learned from the management of the COVID-19 pandemic.

She closed the discussion with an interesting statistic. Although European budgetary support in response to the economic crisis linked to the pandemic was often compared with that of the United States, the EU and the Member States would devote 18% of their gross domestic product to this in 2021 and 2022, while in the United States this would be 20% over the same period.

Following this discussion, the Commission approved the Communication in COM(2021) 380/3 for transmission to Parliament, the European Council, the Council, the Economic and Social Committee, and the Committee of the Regions and, for information, to the national parliaments.

10. JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL ON EU-RUSSIA RELATIONS – PUSH BACK, CONSTRAIN AND ENGAGE (JOIN(2021) 20 TO /3; RCC(2021) 132)

The PRESIDENT introduced the joint communication of the European Commission and the European External Action Service *EU-Russia relations – Push back, constrain and engage*.

Russia was the EU's largest neighbour and relations between the two had been deteriorating for almost a decade.

It was therefore necessary to try and transform the current relationship into one that was at least stable and predictable, on the basis of three guiding principles. First, the EU would denounce Russia's breaches of human rights and international law. Second, it would pull out all the stops to prevent Russia from undermining Western democracies. Third, it would engage in people-to-people dialogue, for example with civil society and on public health issues.

She asked Mr BORRELL to present the initiative in more detail.

Mr BORRELL said that the communication responded to a request from the European Council, which, at its meeting on 24 and 25 May, had asked the Commission and the European External Action Service to submit a report to it on the state of EU-Russia relations in all their complexity.

Russia was not only the EU's largest neighbour but remained an important global actor. To try and stop the downward spiral in which the bilateral relationship had been caught in recent years as a result of deliberate policy choices and aggressive action by the Russian government, the EU was following an approach based on five principles to defend its interests and values, namely (i) the full implementation of the Minsk agreements, (ii) enhanced relations with the EU's eastern partners and other neighbours, (iii) strengthening the EU's resilience, (iv) selective cooperation with Russia on matters of interest to the EU, (v) people-to-people contacts and support for Russian civil society. Unity remained the EU's biggest asset in its relations with Russia, despite repeated attempts by Russian leaders to divide the EU.

The EU and Russia had a responsibility to ensure peace and security on the European continent and were also economically dependent on each other, since 37% of Russia's trade was with the EU, and the EU accounted for 75% of foreign direct investment in Russia. The EU should therefore use this interdependence to its advantage.

As regards the political context, the European Green Deal was a challenge for Russia, which had to begin its own transition given its overdependence on

hydrocarbon exports. Russia had other structural weaknesses, including its demographic decline. If left unchecked, the current trends would make Russia increasingly dependent on China and lead to the continuous stagnation of its economy.

Under the present circumstances, a renewed partnership allowing the EU to realise the full potential of close cooperation with Russia seemed a distant prospect. The most realistic outlook for the time being was for the EU to prepare for a further deterioration in its relations with Russia.

The EU should aim to stabilise the situation and explore avenues that could help to gradually change the current dynamics into a more predictable relationship. To do this, the EU had to push back, constrain and engage at the same time.

Mr BORRELL said that the communication explained how this could be done in practice.

First, the EU had to push back against human rights violations and speak up for democratic values. These were matters of direct concern to all UN and Council of Europe member states and were not reserved exclusively for a country's internal affairs.

Europe would continue to denounce Russia's breaches of international law in Ukraine, Georgia and elsewhere. The EU would signal its support to Ukraine and its territorial integrity, sovereignty and independence. It would also call on Russia to shoulder its responsibility as a party to the conflict and to implement the Minsk agreements.

The EU also had to be ready to scale up its existing sanctions regimes and take additional restrictive measures against Russia if needed. The oligarchs supporting and benefiting from the system also needed to be penalised by stepping up the fight against corruption and money laundering, including through increased transparency on financial flows linked to Russia.

Second, to constrain Russia's attempts to undermine EU interests, the EU itself had to become more robust and resilient. It had to counter malign actions more systematically and develop its cyber security and cyber defence capacity, as well as its strategic communication capabilities, by intensifying work on information manipulation and disinformation. The EU should also continue to strengthen its capabilities against hybrid threats and its structured cooperation with NATO, and take action to better protect its democratic processes and its institutions.

Mr BORRELL felt that the Union should also use the leverage provided by its energy transition to support the energy security of its neighbours. He recommended strengthening support to the Eastern partnership in order to realise its full potential and announced an upcoming summit between the EU and the countries of Eastern Europe and the Southern Caucasus. The political and economic reforms they were called on to introduce would reduce the vulnerabilities of the EU's partners and protect them from interference and destabilisation by Russia.

Third, the EU should engage Russia on several key challenges to further its own interests. The COVID-19 pandemic had shown the need for engagement on public health.

The EU should also engage in a closer dialogue with Russia on climate change in the run-up to the UN climate conference (COP-26) to be held in Glasgow in November. It should pursue thematic discussions on carbon pricing, renewables and climate change adaptation. This dialogue was very important for Russia given the fast-changing geopolitics of energy and its own delayed low-carbon transition.

The more technical engagement with the Russian government on the many economic irritants should also continue to be addressed, with the EU leveraging its competitive advantages.

People-to-people contacts with Russia also needed to be strengthened. This could include more visa facilitation or introducing visa fee waivers for young people,

work-and-travel programmes, academic cooperation, cooperation in science and education, and student exchanges.

In addition, the EU should continue to support Russian civil society and human rights activists, using more flexible and creative approaches and fine-tuning its aid programmes to avoid its partners being exposed to repression. Engagement must also extend to regional and cross-border cooperation

As set out in the communication, the EU would also work on conflict-prevention and confidence-building mechanisms. There was potential for constructive engagement on some regional issues (the Joint Comprehensive Plan of Action on the Iranian nuclear programme, the Middle East, Libya and Afghanistan) and global issues (counter-terrorism and combating nuclear proliferation).

Mr BORRELL said that in implementing this strategy, the EU should continue to work closely with its G7 and NATO partners. Overall, there was a need to move from a reactive position to a more active one and to try and develop the relationship in such a way that the EU's interests and principles would be better defended and promoted based on the five guiding principles.

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

- the College's support for the joint communication, which was regarded as realistic, balanced and timely;
- the case for the EU not to be naive and to adopt a clear stance towards Russia, which regularly tried to destabilise the Union through sophisticated and targeted disinformation campaigns and military operations in its neighbourhood;
- the need to focus attention firmly on Russia's breaches of human rights and international law and to support the EU's partners which were under pressure from Russia, in particular within the Eastern Partnership;

- the strong likelihood that Russia would not change its attitude towards the EU in the near future;
- hence the need for the EU to be unified, assured and moderate in its relations with Russia, and the desirability of following the same approach to relations with other neighbours, such as Turkey;
- the desirability of the EU becoming a genuine geopolitical player using non-economic tools to strengthen its influence, given that Russia, owing to the size of its economy and its limited contribution to the development of new products, had stopped competing economically with Europe 50 years ago;
- the value of strengthening the EU's cyber security and cyber defence capabilities, as well as its 5G toolbox and the fight against hybrid threats;
- the assertion that Russia's provocations and constant attempts to humiliate the EU would only strengthen European integration rather than weakening it, with Europe emerging reinvigorated from its confrontation with Russia;
- the analysis that Russia was searching for an identity and was nostalgic about its past influence, and a reminder of its contribution to European culture, language and history;
- the usefulness of exploring informal channels of communication and small-scale projects with Russia, which could be more beneficial in terms of day-to-day cooperation, given that Russia would use major international summits or conferences for self-promotion purposes;
- the importance of nurturing people-to-people contacts and using soft power where possible;
- the need to continuously monitor the effectiveness of selective engagement with Russia, since in certain circumstances it could be counter-productive, for

example in the case of support for Russian NGOs, which could be repressed by the authorities as a result.

The PRESIDENT noted that US President Joe BIDEN would meet Russian President Vladimir PUTIN on 16 June in Geneva.

She said that the United States and the EU had similar views on relations with Russia.

Russia was not a key economic player, but was using its military might in a very targeted way to remind the world that it had to be reckoned with.

She wound up the discussion by pointing out that in the jockeying for influence around the Russian President, the traditionalists seemed to have prevailed over the modernists, and said that Russia's determination to rise again should not be underestimated.

Following this presentation, the Commission, on a proposal from the PRESIDENT, confirmed that the joint communication in JOIN(2021) 20/3 would be formally adopted by finalisation written procedure, the deadline for which was set at 9.00 on Wednesday 16 June 2021 (PE/2021/4429).

**11. CONSULTATION DOCUMENT – SECOND-PHASE CONSULTATION OF SOCIAL PARTNERS UNDER ARTICLE 154 TFEU ON POSSIBLE ACTION ADDRESSING THE CHALLENGES RELATED TO WORKING CONDITIONS IN PLATFORM WORK
(C(2021) 4230 AND /2; SWD(2021) 143 AND /2; RCC(2021) 131)**

Ms VESTAGER briefly presented the background to this second phase of consultation of the social partners on work via digital platforms, the first of which had been launched in February. She reiterated that this communication aimed to improve working conditions in these platforms and was part of the EU's efforts to

ensure that no-one was left behind and that European values, especially fairness, were firmly integrated into the digital economy.

The first phase of consultation of the social partners had taken place from 24 February to 7 April 2021, and 14 recognised social partners representing European trade unions and employers' organisations had replied.

It was primarily a matter of discussing the possible content of the proposal as well as what instrument the Commission could consider at the end of 2021 if the social partners decided not to negotiate with each other.

Mr DOMBROVSKIS saw this exercise as a good example of the interaction between digital innovation and labour market law. The aim was to contribute to the digital transition in the labour market and to provide security for workers in the digital sector. It also marked a further step towards modernising labour market rules, as platforms were developing very quickly and the EU had to adapt its legislation accordingly.

Above all, the results of the first consultation had confirmed the need to address, in one way or another, the difficulties related to platform work. Trade unions and employers' organisations were considering different possible solutions. The former wanted a binding instrument at EU level, which would focus on ensuring that people working through these platforms had the correct employment status, whereas the latter saw the existing EU instrument as already providing an adequate framework and that employment classification should be a matter for the national level or the courts.

Based on his experience of social dialogue, Mr DOMBROVSKIS felt it was perfectly natural for views to diverge on how to tackle such important issues. It was therefore important, with this second phase, to provide more clarity on the content of a possible future initiative at European level and on the most appropriate type of instrument.

The main clarifications expected would concern (i) the employment status classification of people working through platforms, which was vital for workers' access to existing social rights and labour protection standards, (ii) challenges related to the algorithm-based business model of platforms, and (iii) issues related to the cross-border nature of platform work.

Specifically, the second phase of consultations would take place until 15 September and the Commission was then expected to present an initiative in December.

Mr DOMBROVSKIS concluded his presentation by recalling that very few Member States had adopted national legislation specifically aimed at improving working conditions and access to social protection for platform workers and that, in most cases, national legislation merely addressed these issues indirectly. More than a hundred cases currently before the courts of nine Member States involved the employment status of individuals working via platforms; in most cases, judges had ruled in favour of reclassifying workers designated as self-employed as employees, on the one hand, and of platforms being regarded as employers, on the other. For that reason, a European solution had to be proposed.

Mr SCHMIT highlighted the great diversity of work carried out via digital platforms, which opened up a new chapter in relations between workers and employers.

Digital platforms created employment and income opportunities for people who could otherwise be excluded from the labour market; however, workers on these platforms also faced vulnerability and precariousness and had few social rights in practice.

The digital economy was developing very rapidly, and the COVID-19 pandemic had accentuated this trend further. This economic reality responded to a demand, but at the same time it gave rise to a form of social dumping.

Mr SCHMIT also explained, with regard to the classification of workers, that the situation varied greatly from one Member State to another and currently depended on the judgments of national courts on a case-by-case basis. He cited recent rulings in favour of workers in France, Italy, Spain, Germany and the Netherlands. He also referred to a judgment in the United Kingdom in February, which had allowed 70 000 Uber drivers to be considered as employees and to earn a decent wage, to have paid leave and to contribute to a pension scheme. This was good news, but workers needed to be given more certainty from the start; moreover, platforms themselves were also seeking more legal certainty in the single market.

Finally, the Commission would continue the dialogue with all stakeholders with a view to a proposal at European level during a third consultation phase.

Following these presentations, the Commission approved the consultation document distributed as C(2021) 4230/2 and authorised the Director-General of the Directorate-General for Employment, Social Affairs and Inclusion to forward this document to the social partners, together with the staff working document distributed as SWD(2021) 143/2, the contents of which were noted.

12. OTHER BUSINESS (CONTINUED)

12.1. LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

Mr BORRELL reported to the College on the latest developments in external relations.

Firstly, a high-level meeting had taken place that day as part of the dialogue between Serbia and Kosovo*, for the first time since September 2020,

* This designation is without prejudice to positions on status and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

bringing together the Serbian President, Aleksandar VUČIĆ, and the Prime Minister of Kosovo, Albin KURTI.

It had been a difficult meeting, in that Serbia had doubts about the expected benefits of a resumption of dialogue and because of the personal dynamics between the two leaders.

In terms of the broader situation in the Western Balkans, little progress had been made in the accession negotiations between the EU and Albania, the Republic of North Macedonia and Serbia respectively.

Mr BORRELL then announced that he would travel to Turkey on 17 and 18 June to attend the South East European Cooperation Process (SEECP) summit and hold a bilateral meeting with the Turkish Ministry of Foreign Affairs on the fringes of the Antalya Diplomacy Forum.

After that, he would be on mission to Lebanon in order to show the EU's solidarity with the Lebanese people and offer support, and to encourage Lebanon's political leaders to uphold their responsibilities, form a government and implement urgently needed reforms in the country.

Finally, he referred to the ever-worsening humanitarian crisis in Tigray, Ethiopia, and the joint statement issued by the EU and the United States calling on all parties to the conflict, as well as the international community, to take urgent action to avert a large-scale famine in Tigray and the potential for this crisis to destabilise the broader Horn of Africa region.

The Commission took note of this information.

12.2. UPDATE ON EU-UK RELATIONS

Mr ŠEFČOVIČ gave an update on EU-UK relations following the first meeting of the Partnership Council established under the Trade and Cooperation Agreement and the ordinary meeting of the Joint Committee

established under the Withdrawal Agreement, both of which took place on 9 and 10 June in London.

During the Partnership Council meeting, it was clear that the UK wanted the tone of the discussions to be upbeat in the run-up to the G7 Summit, being held in the UK under its Presidency, and the visit of the US President, Joe BIDEN, who would be in the UK for the Summit. However, it had not been possible to agree on a joint statement, as the UK had objected to any reference being made to the importance to the new bilateral relationship of full implementation of the Withdrawal Agreement; the UK's position was unacceptable for the EU.

Furthermore, at the Joint Committee meeting, certain important topics concerning citizens' rights had been examined and would be discussed further that week. The most difficult conversation had been on the Protocol on Ireland/Northern Ireland, as the parties did not agree on what the end goal should be. The EU was seeking a pathway towards full implementation of the Protocol, while also looking for flexible solutions within the framework of the Protocol, in particular for the supply of medicines to Northern Ireland. Meanwhile, the UK wanted the EU to solve all kinds of problems without any regard for whether or not that was possible under the Protocol that both parties had signed.

Mr ŠEFČOVIČ said that he had made statements to the UK press to the effect that the EU and the UK were at a crossroads in their relationship and that the trust which was vital to every partnership needed to be restored between the two parties.

He ended by saying that, if the UK were to take further unilateral action over the coming weeks, the EU would not hesitate to react swiftly, firmly and resolutely to ensure that the UK abided by its obligations under international law.

The political assessment of any measures that the EU might then adopt needed to take account of its own interests, the risks to which the single market was exposed on account of the UK's failures to comply, and the timing, given that the season of Orange marches would soon begin in Northern Ireland. In any event, in his view the EU needed to have a full range of possible countermeasures in order to decide how and when to act.

In conclusion, Mr ŠEFČOVIČ stressed the importance of communication in managing the current tensions and the need for consistent messaging from the EU side when communicating with the press and stakeholders in Northern Ireland. He thanked Ms McGUINNESS and Mr GENTILONI for their excellent cooperation in this regard.

During the brief discussion that followed, the Commission raised the following main points:

- the importance of choosing carefully the right time to take action in the event of continued UK failures to comply in the implementation of the Protocol on Ireland/Northern Ireland;
- the advisability of countering disinformation spread by the UK side and the need to adapt the EU's communication in response to UK provocation;
- the need for the EU to be sensitive with regard to the situation in Northern Ireland, and flexible, but also to stand by its principles;
- the need to maintain unity among the Member States by continuing to keep them constantly updated in a fully transparent manner on developments in the bilateral talks;
- the European Parliament's role in monitoring the ongoing discussions between the EU and the UK, with the participation of its three Vice-Presidents;

- a reminder of the fact that the international reputation of any State was dependent on its being reliable and following through on its commitments.

Mr TIMMERMANS thanked Mr ŠEFČOVIČ for the information he had provided and for his management of this difficult matter.

The Commission took note of this information.

12.3. COMMISSION IMPLEMENTING DECISION ON THE REQUEST FOR REGISTRATION OF THE EUROPEAN CITIZENS' INITIATIVE ENTITLED 'BAN FOSSIL FUEL ADVERTISING AND SPONSORSHIPS' PURSUANT TO REGULATION (EU) 2019/788 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (C(2021) 4347)

Ms JOUROVÁ presented a draft decision being tabled for approval by the College concerning the registration of a European citizens' initiative entitled, in the authentic language (English), 'Ban Fossil Fuel Advertising and Sponsorships'.

In essence, this initiative called on the Commission to propose an EU legal act that would prohibit advertisements for fossil fuels, as well as for air, road and waterborne transportation (other than transport services of general economic interest) powered by fossil fuels; prohibit advertisements from any undertakings active in the market for fossil fuels, in particular by extracting, refining, supplying, distributing or selling fossil fuels; prohibit sponsorships by the undertakings referred to above, or using trademarks or commercial names used for fossil fuels.

Ms JOUROVÁ pointed out that the College's task that day was to decide only on the registration of the initiative and not at this stage to analyse its substance or political expediency.

She explained that the conditions for registering European citizens' initiatives

were set out in Article 6(3) of Regulation (EU) 2019/788 of 17 April 2019 on the European citizens' initiative, which had repealed and replaced Regulation (EU) No 211/2011 with effect from 1 January 2020. One of those conditions was the requirement that no part of the citizens' initiative should manifestly fall outside the framework of the Commission's powers to submit a proposal for an EU legal act for the purpose of implementing the Treaties.

She noted that the request made by the promoters of the 'Ban Fossil Fuel Advertising and Sponsorships' initiative fell within the Commission's powers to propose legal acts for the purpose of implementing the Treaties under Article 192 of the Treaty on the Functioning of the European Union.

Ms JOUROVÁ underlined that if, within a period of twelve months, the proposal gathered the minimum support required, in other words at least one million signatures from citizens of at least a quarter of the Member States, the Commission would then analyse the substance of the proposal.

In accordance with the new Regulation (EU) 2019/788, proposed initiatives registered now benefited from more user-friendly arrangements for organisers to gather support and easier access for European citizens. The Commission would have a period of six months to submit its reasoned decision whether or not to take any action.

The Commission confirmed that the European citizens' initiative entitled 'Ban Fossil Fuel Advertising and Sponsorships' met the conditions for registration.

Following this presentation, the Commission, on a proposal from Mr TIMMERMANS, who was chairing the meeting, agreed that the implementing decision in C(2021) 4347 would be formally adopted by the finalisation written procedure, the deadline for which was set at 10.00 on Wednesday 16 June 2021 (PE/2021/4465).

12.4. PRESENTATION BY PROFESSOR THYGESEN, CHAIR OF THE INDEPENDENT EUROPEAN FISCAL BOARD, OF THE ANNUAL REPORT ON THE FISCAL STANCE APPROPRIATE FOR THE EURO AREA IN 2022

Mr TIMMERMANS warmly welcomed Professor Niels THYGESEN, the Chair of the Independent European Fiscal Board, and invited him to present the Board's Annual Report on the fiscal stance appropriate for the euro area in 2022.

Professor THYGESEN began by briefly summarising the four main messages of the report. First, in 2022 the euro area as a whole was expected to exceed the pre-pandemic level of annual real GDP, although significant discrepancies remained between Member States. Second, the fiscal stance resulting from current policies, including the national recovery and resilience plans, remained favourable and appeared to be appropriate. Third, fiscal support, which included the national recovery and resilience plans, needed to become more targeted, with more emphasis on growth-enhancing expenditure. And fourth, revising the EU fiscal framework while the escape clause of the Stability and Growth Pact in the event of deep economic recession was still activated could be an essential element in the process of stabilising and rebalancing fiscal and monetary policies.

Professor THYGESEN then gave an overview of the institutional timetable and the general context for the report. The text of the report should feed into the debate in the Member States on their new draft budgets, which would be submitted to the Commission and the Council in October 2021 and implemented in 2022. He emphasised in particular that in the context of the pandemic crisis, it was very important to analyse the appropriate fiscal stance for the euro area as a whole, to prevent it from becoming too restrictive. However, this analysis was not straightforward, since it had to take account of major challenges such as the high level of uncertainty, the difficulty of

differentiating emergency support measures from other support measures, and the likelihood that the Commission's contribution would be underestimated, in view of the conventional fiscal support measures put in place at the same time by the Member States.

He referred to the Commission's latest spring economic forecast, which predicted strong growth in 2022. Except one country, all the Member States would return to their 2019 GDP levels in 2022, despite significant divergences in growth between Member States and between economic sectors.

This complex situation justified the use of more nuanced language in the fiscal analysis, which, in particular, differentiated the concept of 'fiscal stance' (the level of fiscal support) from that of 'fiscal impulse' (the variation in the level of fiscal support). For 2022, if the accommodative monetary policy stance continued, the fiscal stance was likely to remain favourable, whereas the fiscal impulse was likely to remain restrictive.

He ended his analysis of the context by also pointing out the need to take into account the sustainability of high public debt, which on average would exceed 100% of euro area GDP in 2021. At present the resulting risks were limited due to the alignment of fiscal and monetary policy, which created additional fiscal space. However, this situation was only temporary and might well change in the event of a sustained rise in inflation, which would lead to higher interest rates on debt.

Lastly, based on this analysis, Professor THYGESEN presented the European Fiscal Board's recommendations for the euro area in 2022. He said that the current fiscal stance appeared to be appropriate, that new fiscal impulses were not needed unless the economic outlook changed significantly, and that high-debt Member States should use the Recovery and Resilience Facility to support recovery without this affecting the sustainability of their public

finances. Fiscal support should become gradually more targeted. He added that the debate on the revision of the European fiscal framework should be relaunched in order to give Member States longer-term prospects in terms of fiscal policy.

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

- appreciation of the quality of the European Fiscal Board’s analysis and report, which constituted a very useful contribution to the shaping of the Member States’ fiscal policies;
- confirmation of the fiscal policy stances that the Commission had communicated to the Member States on 2 June 2021 as part of the European semester ‘spring package’, particular as regards (i) the possibility for Member States to use the Recovery and Resilience Facility to finance their investments without increasing risks to the sustainability of public finances, (ii) the continued activation of the escape clause of the Stability and Growth Pact in the event of deep economic recession in 2022 and the deactivation of the clause from 2023 onwards, in parallel with the phasing-out of fiscal support measures, and (iii) the need for a prudent medium-term fiscal stance without, however, opening any new excessive deficit procedure at this stage, given the current high level of uncertainty regarding the economic outlook;
- the need to differentiate between the fiscal situations of different Member States;
- the possibility of relaunching the revision of the economic governance framework and the related public consultation in the autumn, while avoiding linking this debate to the deactivation of the escape clause of the Stability and Growth Pact, which entailed fulfilling precise criteria;

- support for the European Fiscal Board’s conclusions on the need at this stage to maintain a fiscal stance of support for the recovery and, at the same time, to monitor inflation closely;
- reference to the EUR 3 000 billion granted as part of the temporary State aid framework and the need to adapt this framework at the end of each year in order to avoid supporting unviable companies and ensure that resources were reallocated more efficiently;
- certain questions concerning the consideration given by the European Fiscal Board to the growth in government expenditure, how the fiscal rules were to be communicated and explained to the general public, the expected levels of inflation and the possible ways of incorporating certain sustainability criteria into the fiscal rules.

Professor THYGESEN thanked the Members of the Commission for their comments. He said that the approach taken by the European Fiscal Board did not focus on the growth in government expenditure, but that the report mentioned the high-debt Member states and urged them to be cautious in this respect. He agreed with the observation that even without revision of the current fiscal framework, the euro area would not be left without rules. He felt it was not possible to dispense altogether with numerical criteria to ensure the sustainability of public finances, even if defining these criteria was always difficult and involved a degree of risk; consequently, any adjustment must be made cautiously and realistically.

Professor THYGESEN also explained that the overall level of fiscal support for the euro area as a whole was often underestimated, and that the distinction between ‘fiscal stance’ and ‘fiscal impulse’ helped to explain the current situation in a nuanced way. The Board therefore considered that a weak restrictive fiscal impulse would be appropriate in 2022. It was important to avoid any complacency regarding fiscal policy, and to reduce government

expenditure when the economic situation seemed particularly favourable. In this regard, some expenditure linked to State aid could be reduced.

Lastly, with regard to inflation, Professor THYGESEN said that the world economy was recovering fast and there were labour shortages everywhere, which could fuel inflation. Some of the factors behind this had short-term effects and others had effects in the longer term. Overall, however, inflation too was expected to increase more rapidly than in the past.

The Commission took note of this information.

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The meeting closed at 18.18.