



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2022) 2408 final

- English translation of the French version which is authentic -

Brussels, 23 March 2022

TEXTE EN

MINUTES

of the 2408th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 23 and Thursday 24 February 2022

(morning)

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The 2408th meeting of the Commission was held in two parts:

- on Wednesday 23 February 2022, from 9.12 to 12.42
- on Thursday 24 February 2022, from 9.35 to 11.02

First sitting: Wednesday 23 February 2022 (morning)

The sitting opened at 9.12 with Ms von der LEYEN, President, in the chair.

Present:

Ms von der LEYEN	President	
Mr TIMMERMANS	Executive Vice-President	Items 1 to 11.1 (in part)
Ms VESTAGER	Executive Vice-President	
Mr DOMBROVSKIS	Executive Vice-President	
Mr BORRELL i FONTELLES	High Representative / Vice-President	
Mr ŠEFČOVIČ	Vice-President	Items 9 to 11
Ms JOUROVÁ	Vice-President	
Ms ŠUICA	Vice-President	Items 1 to 10 (in part)
Mr SCHINAS	Vice-President	
Mr HAHN	Member	
Ms GABRIEL	Member	Items 1 to 10 (in part)
Mr SCHMIT	Member	
Mr GENTILONI	Member	
Mr WOJCIECHOWSKI	Member	
Mr BRETON	Member	
Ms FERREIRA	Member	Items 7.2 to 11
Ms KYRIAKIDES	Member	
Mr REYNDERS	Member	
Ms DALLI	Member	
Ms JOHANSSON	Member	

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Ms VĂLEAN	Member	Items 7.2 to 11.1 (in part)
Mr VÁRHELYI	Member	Items 1 to 11.1 (in part)
Ms SIMSON	Member	
Mr SINKEVIČIUS	Member	
Ms McGUINNESS	Member	

Absent:

Mr LENARČIČ	Member
Ms URPILAINEN	Member

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

Ms ROUCH	Chef de cabinet to Ms GABRIEL	Items 10 (in part) and 11
Ms SIMKIĆ	Chef de Cabinet to Mr LENARČIČ	
Mr LAHTI	Chef de cabinet to Ms URPILAINEN	

The following also sat in:

Mr SEIBERT	Chef de cabinet to the PRESIDENT	
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	
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's Office	
Mr WHELAN	Adviser in the PRESIDENT's Office	Items 8 to 10
Mr ANDRESEN GUIMARAES	Adviser in the PRESIDENT's Office	Item 11.1
Ms CABRAL	Adviser in the PRESIDENT's Office	Items 9 and 10

Ms SCHULTZ Policy Coordinator in the PRESIDENT's
Office

Ms ALLOUIS-LE LOSTEC Head of Unit in the Secretariat-General

Secretary: Ms JUHANSONE, Secretary-General, assisted by Ms DEPREZ, Director in
the Secretariat-General.

1. AGENDAS

(OJ(2022) 2408/FINAL; SEC(2022) 2408/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(2022) 2408)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 21 February 2022.

3. APPROVAL OF THE MINUTES

(PV(2022) 2404; PV(2022) 2404, 2ND PART)

The Commission approved the minutes of its 2404th meeting of 26 January 2022 and decided to hold over approval of the minutes of its 2405th, 2406th and 2407th meetings of 2, 8 and 15 February 2022 until a later meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2022) 70)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held by videoconference on Friday 18 February 2022 (RCC(2022) 70).

The Commission approved the lines proposed for the following points:

- **Amendment of Implementing Regulation (EU) No 282/2011 as regards the update of the VAT and/or excise duty exemption certificate (Council**

Implementing Regulation) – 2022/0002 (NLE)

Line set out in SI(2022) 34/2.

- **Establishment and operation of an evaluation and monitoring mechanism to verify the application of the Schengen acquis and repeal of Regulation (EU) No 1053/2013 (Council Regulation) – SKYTTEDAL report – 2021/0140 (CNS)**

Line set out in SI(2022) 35.

- **A more inclusive and protective Europe: extending the list of EU crimes to hate speech and hate crime (Commission communication) – COM(2021) 777 final**

Line set out in SI(2022) 38.

- **Declaration of the Ministers of Environment, and of the Commissioner for ‘Environment, Oceans and Fisheries’ to be signed at the Ministerial Conference ‘30 years of the Natura 2000 network’ on 25 February 2022**

Line set out in SI(2022) 36.

- **Resolutions of the European Parliament under Article 225 of the Treaty on the Functioning of the European Union (TFEU) – Legal migration policy and law – AL-SAHLANI report – 2020/2255 (INL)**

Line set out in SP(2022) 93.

The Commission approved the lines set out for the following points, for transmission to the European Parliament:

- **Commission replies to non-legislative resolutions adopted by the European Parliament at its part-session of December 2021 (Part I)**

Line set out in SP(2022) 89/2.

- **Commission replies to non-legislative resolutions adopted by the European Parliament at its November I 2021 part-session (second and last part)**

Line set out in SP(2022) 91.

- **Commission replies to non-legislative resolutions adopted by the European Parliament at its October II 2021 part-session (second and last part)**

Line set out in SP(2022) 67/4.

The Commission took note of the following points:

- **Results of the European Parliament's part-session of February 2022**

Information set out in SP(2022) 65.

- **Establishment of an independent EU ethics body – Draft letter to the European institutions and the two advisory bodies**

Information set out in SPI(2022) 11.

The Commission noted that the following points had been withdrawn:

- **Amendment of Directives 2001/20/EC and 2001/83/EC as regards derogations from certain obligations concerning certain medicinal products for human use made available in the United Kingdom in respect of Northern Ireland and in Cyprus, Ireland and Malta (Directive) – CANFIN report – 2021/0431 (COD)**
- **Amendment of Regulation (EU) No 536/2014 as regards a derogation from certain obligations with regard to investigational medicinal products made available in the United Kingdom in respect of Northern Ireland and in Cyprus, Ireland and Malta (Regulation) – CANFIN report – 2021/0432 (COD)**

Note SI(2022) 37.

**5. COORDINATION OF EXTERNAL ACTION
(RCC(2022) 10)**

The Commission took note of the operational conclusions in RCC(2022) 10 of the meeting of the Group for External Coordination (EXCO) held on Wednesday 16 February 2022.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

**6.1. WRITTEN PROCEDURES APPROVED
(SEC(2022) 107 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 20 February 2022.

**6.2. EMPOWERMENT
(SEC(2022) 108 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 14 and 20 February 2022.

**6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2022) 109 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 14 and 20 February 2022 archived in Decide.

**6.4. SIGNIFICANT WRITTEN PROCEDURES
(SEC(2022) 110)**

The Commission took note of the significant written procedures for which the time limit expired between 21 and 25 February 2022.

**7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2022) 111)**

**ADMINISTRATIVE MATTERS
(PERS(2022) 12)**

**7.1. DG HEALTH AND FOOD SAFETY – SECONDMENT OF AN AD16
OFFICIAL IN THE INTEREST OF THE SERVICE UNDER
ARTICLES 37 AND 38 OF THE STAFF REGULATIONS**

On a proposal from Mr HAHN, in agreement with the PRESIDENT and after consulting Ms KYRIAKIDES, the Commission decided to second Mr Ladislav MIKO, an AD16 official currently Adviser *hors classe* in DG Health and Food Safety, to the Government of the Czech Republic in the interest of the service under Articles 37 and 38 of the Staff Regulations, until 31 December 2023, which period could be extended.

This decision would take effect on 1 March 2022.

**7.2. RISK MANAGEMENT EXERCISE FOR 2022
(SEC(2022) 88)**

Mr HAHN presented to the College the main conclusions of the annual risk management exercise for 2022, which were set out in information note SEC(2022) 88. He pointed out that the process of identifying and assessing risks was a core management activity which was an integral part of the Commission's governance arrangements. Each year, all the Commission's Directorates-General and services were required to identify possible risks to

the achievement of their objectives and to ensure that appropriate mitigating actions were put in place.

The 2022 risk assessment exercise showed that 33 critical risks were notified by 19 services, compared to 58 for 2021. This decrease was explained mainly by the fact that a number of critical cross-cutting risks which were specific to 2021 were no longer relevant, for example the risks relating to delays in reaching an interinstitutional agreement on the 2021-2027 multiannual financial framework and the risk of a failure to conclude the agreement on the withdrawal of the United Kingdom from the EU.

Mr HAHN referred to the four broad categories of cross-cutting risks which had therefore been considered critical for this year, namely (i) the COVID-19 pandemic and its impact both on staff well-being and performance, (ii) the implementation of the EU-UK withdrawal agreement, (iii) cybersecurity and data protection, the high importance of which he stressed in the current geopolitical context, and (iv) the pillar assessment in the budgetary framework. On the last point, he said that, under the new requirements of the 2018 Financial Regulation and the conditions applicable to the pillar assessment, the Commission services had to carry out, by 31 December 2021, a number of complementary assessments for the entities entrusted with execution of the budget. Some services did not succeed in doing so on time, which could lead to delays in policy implementation and the underuse of the corresponding appropriations.

He explained that from now on, on the basis of this exercise, the Directorates-General and services must monitor the risks identified with the decentralised agencies and/or the joint undertakings under their authority. They were encouraged to increase the involvement of EU agencies in the next risk management exercise, in particular with regard to cybersecurity, which was a major concern.

The PRESIDENT thanked Mr HAHN for his presentation.

The Commission took note of this information and of document SEC(2022) 88.

**8. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON HARMONISED RULES ON FAIR ACCESS TO AND USE OF DATA (DATA ACT)
(COM(2022) 68 TO /3; SWD(2022) 34; SWD(2022) 35; SEC(2022) 81; RCC(2022) 75)**

The PRESIDENT asked Ms VESTAGER and Mr BRETON to present to the College the proposal for a Regulation on harmonised rules on fair access to and use of data (Data Act).

Ms VESTAGER explained that this proposal for a Regulation complemented the Data Governance Act adopted by the Commission in November 2020, which laid down the general legal framework to encourage the exchange of data through reliable infrastructures. That day, the Commission was proposing new rules to clarify who could use and access data generated in the EU by connected objects in all economic sectors, for what purpose and under which circumstances. The Data Act provided legal certainty and aimed to remove obstacles to data exchange. The idea was to ensure fairness in the digital environment, boost the development of a competitive data market, open up opportunities for innovation and make data more accessible to all.

She stated that users of connected devices would now be able to access the data they generated – data often collected exclusively by manufacturers – and exchange them with third parties to make it possible to provide post-sales or other innovative data-driven services.

She specified that companies designated as gatekeepers under the Digital Markets

Act were not covered by the Data Act. Its aim was to rebalance the bargaining power of small and medium-sized enterprises (SMEs) by protecting them from unfair contract terms imposed by large companies with significantly greater bargaining power. She added that the Commission would prepare model contractual terms to help SMEs draft and negotiate fair data sharing contracts and that the price would be limited to the direct costs borne by the producer.

She also pointed out that the proposal included provisions for situations where private companies would need to give access to data held by them to public bodies, in certain duly justified exceptional circumstances, in particular in the event of a public emergency.

She concluded by stressing that that day's proposal dealt with machine-generated data, not with personal data, which were governed by the General Data Protection Regulation.

Mr BRETON highlighted the consistency of that day's proposal with the initiatives and legislation on digital services, digital markets and semiconductors that the Commission had put forward since 2020. He explained that a new wave of industrial data was expected and that the global market for the internet of things, i.e. connected products and services, could be worth between EUR 3 and 5 trillion by 2025.

He therefore considered it essential for the EU to obtain its fair share of this future market and to adopt provisions now to establish its place in the data economy. In November 2020, the Data Governance Act aimed to promote voluntary data exchange in different contexts. To this, the Data Act now added a proposal to structure this data economy.

He explained the various elements of this proposal.

First, the Commission proposed to give users of connected products, both businesses and consumers, easy access to data generated by objects, as well as a

portability right through which users would be able to choose third parties that could access their user data. This would facilitate competition and innovation. Favourable conditions were also proposed for SMEs, as Ms VESTAGER had explained. Finally, Mr BRETON reiterated that gatekeepers were excluded from the proposal in order to prevent access rights from further strengthening the position of what were already the most powerful players in the market.

Second, the proposal provided for a fairness test for data exchange contracts for the benefit of SMEs.

Third, it established a framework for access to company data for public interest purposes (B2G) that was limited to exceptional circumstances.

Fourth, the Commission presented measures to enable users of cloud services in the EU to switch from one provider to another, as well as measures to protect non-personal data across EU borders.

Fifth and last, the Data Act promoted interoperability, especially for cross-sectoral data exchange, within common European data spaces and between cloud services.

Concluding his presentation, Mr BRETON referred to the cybersecurity challenge in the current geopolitical context, drawing attention to the fact each object was a potential entry point for manipulation. He considered that the EU should review the parameters for protecting its cyberspace in the light of this reality.

A brief discussion followed, during which the Commission referred mainly to the importance of the proposal's fairness test for SMEs, the balance of the Data Act as regards the rights of users and those of service providers hosting industrial data, and the importance of addressing the issues of access rights specific to particular sectors in future sectoral legislation.

The PRESIDENT concluded by thanking Ms VESTAGER and Mr BRETON for their excellent work.

Following these presentations, the Commission adopted the proposal for a Regulation in COM(2022) 68/3 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, the European Data Protection Supervisor, the European Data Protection Board and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 34, SWD(2022) 35 and SEC(2022) 81, the contents of which were noted.

9. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON CORPORATE SUSTAINABILITY DUE DILIGENCE AND AMENDING DIRECTIVE (EU) 2019/1937

(COM(2022) 71 TO /3; SWD(2022) 38 AND /2; SWD(2022) 39 TO /3; SWD(2022) 42; SWD(2022) 43; SEC(2022) 95; RCC(2022) 76)

10. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE ON DECENT WORK WORLDWIDE FOR A GLOBAL JUST TRANSITION AND A SUSTAINABLE RECOVERY

(COM(2022) 66 AND /2; RCC(2022) 74)

The PRESIDENT introduced the discussion regarding the Communication on decent work worldwide for a global just transition and a sustainable recovery and the proposal for a Directive on corporate sustainability due diligence. The package they formed was the outcome of extensive and difficult work and struck a delicate balance between ambitious rules and the resulting administrative burden for businesses.

She invited Ms JOUROVÁ, Mr REYNDERS and Mr BRETON to present the proposal for a Directive, and Mr DOMBROVSKIS and Mr SCHMIT to present the Communication.

Ms JOUROVÁ noted that the proposal for a Directive on sustainability due diligence was aimed at businesses, as they had a role to play in fostering sustainable economic growth, a political priority for the EU. The proposal also picked up on the concerns of consumers, who did not want to buy products that were made with the involvement of forced labour or that harmed the environment. It also addressed businesses' own desire for greater legal certainty with regard to their obligations, in line with the principle of having a single set of rules for the single market, rather than 27 sets of national laws.

Ms JOUROVÁ said that that day's proposal built on the non-binding international guidelines from the Organisation for Economic Cooperation and Development (OECD) and the UN guiding principles, which would now be translated into enforceable legal obligations in the EU. In her view, this marked a new milestone in a long process that aimed to ensure compliance with environmental and human rights obligations throughout the value chain. The proposal should change things on the ground, but at the same time would be proportionate for businesses and ensure a level playing field.

In terms of scope, the Directive focused on large companies and, in high-risk sectors as defined in the OECD guidelines, on mid-cap companies in the EU. It also covered companies from third countries that operated in the single market using comparable criteria to those that applied to EU companies. She felt that the Commission needed to explain clearly in its communications that the aim was to encourage responsible investment, that the EU's international obligations would be complied with, and that implementing the Directive would not be detrimental to the EU's relations with third countries.

Ms JOUROVÁ noted that special support would be offered to small- and medium-sized companies (SMEs) which, despite being outside the scope of the Directive, might be indirectly affected by it given their position in the value chain. Three tools were set out in the proposal for a Directive so that its aim could be achieved, namely: (i) a complaint mechanism that would enable parties with a

legitimate interest to engage in dialogue with a company out of court; (ii) administrative oversight by Member State authorities combined with potential sanctions, and, lastly, (iii) civil liability, which would ensure that people who had suffered harm would have a legal avenue to obtain compensation in the event there was proven damage under national law.

Ms JOUROVÁ noted that the proposal also made it possible for action on climate change to be a mandatory requirement for companies, which would encourage businesses to draw up and publish plans on how they intended to achieve the Paris agreement objectives.

She concluded by stating that, in her view, that day's proposal was effective, balanced and innovative, and expressed her belief that the co-legislators would retain its spirit and ambition.

Mr REYNDERS said that, through this legislative proposal, the EU was staying true to its fundamental values of protecting human rights and the environment, and to its desire to promote those values internationally. He explained that the aim of this commercial law instrument was to require European businesses and, in certain cases, third-country businesses, to embed sustainability in their strategies and governance models, and to take into account the impact of their operations on the environment and human rights. Businesses would also be required to factor in fighting climate change by drawing up plans on their contribution to the transition to a sustainable economy, in line with commitments under the Paris agreement.

The proposal was eagerly awaited by civil society, the European Parliament, the Member States and citizens. The Commission had received more than 500 000 responses to its public consultation. Citizens had also made their voices heard during lively national debates that had led to the adoption of legislation in some Member States and during discussions on the topic in other Member States. He said that the report adopted by the European Parliament in 2021 called on the Commission to take action in this area.

Mr REYNDERS noted that consumers wanted to be more involved in the green transition. Businesses were therefore making efforts, for their own reputations, to better manage the impact of their activities on human rights, the environment and climate change. That was why many of them had already adopted, on a voluntary basis, due diligence systems based on the OECD guidelines and the UN guiding principles.

However, he noted that voluntary measures were not enough to improve people's living conditions and protect the environment on the scale required. Hence the need for that day's proposal for a Directive, not only as a means of preventing a fragmented approach, but also to provide legal certainty for the actors involved and create a level playing field for companies in the single market.

He then described the proposal for a Directive itself, stressing that it was a horizontal instrument that applied to all sectors of the economy, and would lead companies to adopt measures to identify and mitigate the risk of their activities having a negative impact on human rights and the environment, in line with their business situation. This would make businesses subject to a best endeavours obligation. This due diligence would concern companies' own operations and the entire value chain.

Mr REYNDERS said that the latter point was important for the EU's credibility in terms of addressing the risk of forced labour and child labour outside of direct commercial relationships. In that regard, the proposal for a Directive had to be viewed together with the Communication on decent work worldwide, which was also being presented that day, and with the initiative to tackle forced labour, which would be presented later in the year.

He also noted that, in order to be effective, due diligence needed to be embedded in businesses' corporate strategies, making it a responsibility of company directors. Directors' duty of care in this context should therefore require them to take account of the impact of their decisions on human rights, the environment and climate

change, without changing the way in which companies were structured under national law.

Mr REYNDERS explained that enforcement of the Directive would involve both administrative law and civil law mechanisms. The national authorities designated by the Member States would oversee the implementation of the Directive at administrative level, while civil enforcement would be in line with the UN guiding principles, focusing on remediation and ensuring compensation for victims. Moreover, the Directive also made provision for a complaint mechanism in line with the existing international framework.

He then referred to the impact the proposal would have on the EU's international partners, noting that the objective was not to cause European companies to abandon low- or middle-income countries, but rather to use EU leverage, together with the private and public sectors, to improve living conditions in third countries with which the EU had economic ties.

He felt it was important to ensure that third-country businesses active on the EU market were covered by the Directive in order to guarantee a level playing field, from both an economic and a justice point of view, as citizens did not want products that were the result of forced labour, irrespective of whether they were produced inside or outside the EU. Naturally, this mechanism had to be compatible with World Trade Organisation (WTO) rules and objective criteria would be used to determine whether or not a company fell within the scope of the Directive.

Lastly, Mr REYNDERS explained that a different approach was proposed for climate change. Given that climate change mitigation commitments varied around the world and were linked to Member States' commitments, it was more difficult to translate them into clear obligations for companies and their value chains. For that reason, climate change was not covered by the due diligence proposal. However, climate neutrality remained a fundamental goal for the EU. The Directive would contribute to achieving this aim in two ways, namely (i) by requiring companies to

draw up plans detailing how they would achieve the objectives set out in the Paris agreement, in addition to their obligations under the Sustainability Reporting Directive, and (ii) by encouraging company directors, through their variable remuneration, to adopt and implement those plans.

Mr REYNDERS concluded by confirming that the Directive was not seeking to add to companies' administrative burden, but rather to bring about positive change on the ground.

Mr BRETON welcomed the fact that the College was able to present to the co-legislators this balanced proposal that was the result of many discussions. In his view, this was innovative legislation that sought to enshrine a set of voluntary principles and schemes in binding legislation.

In addition to the diverse points of view on the ambition of the proposal and its impact on the competitiveness of European businesses and on investment in EU partner countries, he cited its main objectives for the single market.

The first objective related to consistency in terms of sustainability standards. Although European businesses were ahead of the curve in this area, they were increasingly faced with a patchwork of rules which caused their costs to rise. Three Member States had already adopted rules on due diligence, three more were in the process of developing them and European sector-based rules already existed on conflict minerals, batteries and products linked to deforestation. With this Directive, the Commission proposed a single legal standard with the aim of creating legal certainty for businesses.

The second objective consisted of producing real and proportionate effects. In this context, Mr BRETON explained that the scope of the Directive focused on large businesses with more than 500 employees and a turnover in excess of 150 million euros. In certain sectors exposed to higher risks, such as agriculture, textiles and minerals, the rules focused on businesses with more than 250 employees and a turnover in excess of 40 million euros. The same limits would apply to

companies from outside the EU conducting business within it, taking into account their turnover on the European market. In total, some 15 700 companies, 4 000 of which were from third countries, would be concerned.

He stressed that SMEs were not covered by the scope of this Directive and that a toolbox would make it possible to help those that would be affected indirectly as a result of their participation in the value chains of large groups. This toolbox included a system of standard cascading contractual clauses and a one-stop assistance service.

The third objective consisted of anticipating the expectations of investors and consumers. Investors were increasingly taking corporate sustainability into account in their decisions, while consumers wanted to know if they were making responsible choices when purchasing products or services. That day's proposal would allow the EU to improve the practices of European businesses and be a global pioneer, becoming the first continent to introduce binding due diligence rules in terms of human rights and environmental protection.

The PRESIDENT invited Mr DOMBROVSKIS and Mr SCHMIT to present the Communication promoting decent work worldwide.

Mr DOMBROVSKIS explained that this Communication had been announced in the 2021 Action Plan on the implementation of the Social Rights Pillar and that it supplemented the proposed Corporate Sustainability Reporting Directive.

Decent work was ever higher on the agenda, mainly because of current industrial and digital transformations, but also because of the COVID-19 pandemic. This Communication was therefore particularly timely and anticipated.

He presented its two focus areas. Firstly, the Communication stressed that the EU was committed to promoting the fundamental labour standards laid down in the International Labour Organisation's (ILO) definition of decent work. Secondly, it

gave an overview of the tools available to increase awareness among stakeholders and ensure coherence in the EU's actions in this area.

The Communication set out the strategy and activities of the EU in terms of decent work worldwide. It focused on the eradication of child labour and forced labour and described the EU's policy to achieve this, both within and outside the Union, including the work undertaken in cooperation with third countries and international organisations.

Mr DOMBROVSKIS explained that the Communication also presented the tools available to the EU to tackle forced labour, such as the Anti-Trafficking Directive, trade policy, the proposed Corporate Sustainability Reporting Directive, and the promotion of strategies for high risk sectors.

While these were important tools, additional measures were needed to tackle forced labour properly. The Communication therefore announced a new legislative proposal that would effectively prohibit the placing on the Union market of products made by forced labour, including forced child labour. It would cover both domestic and imported products and combine a ban with a robust, risk-based enforcement framework.

In conclusion, Mr DOMBROVSKIS emphasised that this new instrument would build on current international standards and complement the EU's existing horizontal and sectoral initiatives, in particular the due diligence and transparency obligations.

Mr SCHMIT explained that the Communication challenged the idea that globalisation and free trade were founded on the lowest standards in terms of social and human rights. It also challenged the unacceptable idea that businesses could compete to generate profit and gain an economic advantage on the basis of forced labour.

He referred to the tragic events in textile factories in Bangladesh, in which many people had died and which had triggered the debate on decent work worldwide. He believed that, since then, consumers had become more aware of how goods were made.

That day's Communication made Europe the international leader in the fight against the exploitation of workers, alongside the International Labour Organisation (ILO) and the Organisation for Economic Cooperation and Development (OECD), which were also focusing more and more of their efforts on introducing decent working conditions.

In conclusion, Mr SCHMIT explained that the overall approach set out in the Communication, as well as the due diligence proposed by the EU, were crucial elements of its ambition of shaping globalisation. He hoped it would be possible to explore the issue of child labour in a more systematic manner in the near future.

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

- wide support for both initiatives, their underlying rationale and the fair balance struck between ambition and administrative burden for businesses;
- the EU's action plan on human rights and democracy worldwide, as related to this context;
- the comment that a legislative act and harmonisation at EU level were needed, since the obligations already set out in non-binding international agreements had not been sufficiently implemented;
- the matter of the difference in approach, as regards the scope of the Directive, for European businesses and those from elsewhere, hence the need to inform the public properly in order to avoid disappointment or resistance;

- the need to concentrate on protecting small and medium-size enterprises which might be affected over time by a cascading of obligations intended for large companies;
- the fact that, with time, the EU would have to pay as much attention to protecting the climate as to the social and environmental dimension in the Due Diligence Directive, particularly with regard to the value chains of large businesses;
- in terms of trade, the need to ensure that the implementation of the Directive would comply fully with international standards in general and the rules of the World Trade Organisation in particular;
- the hope that inter-institutional negotiations on the proposed Due Diligence Directive would not delay the adoption of the Corporate Sustainability Reporting Directive;
- support for the development of a separate instrument on forced labour, which needed to be based on due diligence;
- a reminder of the zero tolerance with regard to child labour announced in the Commission's Political Guidelines and the EU's strategy on the rights of the child.

Following the discussion, Mr REYNDEERS explained that the difference in the scope of the Due Diligence Directive between EU businesses and those from third countries conducting activities in the EU was related to the link with the single market and the fact that the definition of 'employee' differed from one country to another.

Particular attention would need to be paid to the correct implementation of this Directive, which would only occur in practice in 3 to 5 years, given the duration of negotiations on the proposal with the co-legislators, the two-year transposition time

of the legislative act and the additional two-year period provided for medium-sized enterprises in the high-risk sectors covered by the Directive. For this reason, he felt it appropriate to examine without delay the changes for which businesses needed to prepare.

Ms JOUROVÁ said that the main objective of that day's proposals was to bring about real change across the single market and suggested that communication efforts should focus on this aspect. In this regard, she stressed that the proposal for a Directive presented by the Commission was more ambitious than the legislation already adopted by certain Member States, and that others had not yet adopted any such laws.

The PRESIDENT wound up the discussion by thanking the members of the College who presented this set of delicate but necessary initiatives.

Following these presentations, the Commission:

- adopted the proposal for a Directive in COM(2022) 71/3, for transmission to the European Parliament, the Council, the European Economic and Social Committee, the national parliaments and the European Data Protection Supervisor, together with the Staff Working Documents, the impact assessment and the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 38/2, SWD(2022) 39/3, SWD(2022) 42, SWD(2022) 43 and SEC(2022) 95, the contents of which were noted;
- approved the Communication in COM(2022) 66/2, for transmission to the European Parliament, the Council, the European Economic and Social Committee and, for information, to the national parliaments.

11. OTHER BUSINESS

11.1. LATEST DEVELOPMENTS IN THE GEOPOLITICAL SITUATION

During the first part of the College meeting, held on Wednesday 23 February, the PRESIDENT focused on the crisis caused by the Russian President's decision, on 21 February, to recognise the Ukrainian regions of Donetsk and Luhansk as independent entities.

She explained that the EU was ready to adopt a first package of sanctions against Russia in response to this serious violation of international law and the attack on the sovereignty, territorial integrity and independence of Ukraine.

The PRESIDENT stressed that this package of measures constituted a robust response by the EU to the situation created on 21 February. It mainly targeted representatives of the authorities, policy-makers and those close to power, rather than Russian citizens.

She said that she had been in constant contact with EU leaders in recent days and that these sanctions had also been the subject of unprecedented coordination with the United States, the United Kingdom, Canada, Japan and other partners.

She warmly thanked the Members of the Commission and the Commission services for the considerable work done to enable the very rapid adoption of these restrictive measures.

Mr BORRELL referred to the procedure for the adoption by the Council, on the afternoon of 23 February, of this first round of sanctions, which the Commission had approved the previous day by written procedure. He supported the idea of continuing to prepare further rounds of restrictive measures in response, in the event the situation were to deteriorate.

The Commission expressed the EU's unreserved determination to support Ukraine and its people in their commitment to democratic values and their defence of Ukrainian independence.

The PRESIDENT explained that a second round of sanctions could be triggered against Russia if EU leaders considered that the conditions set out in the European Council conclusions of 16 December 2021 were met. She cited the wording of the conditions, namely, that 'further military aggression against Ukraine will have massive consequences and severe cost in response, including restrictive measures coordinated with partners.'

The Commission took note of this information.

**11.2. COMMISSION RESPONSE TO A EUROPEAN PARLIAMENT
RESOLUTION PURSUANT TO ARTICLE 225 OF THE TREATY ON
THE FUNCTIONING OF THE EUROPEAN UNION (TFEU)
(SP(2022) 93)**

The PRESIDENT asked Ms JOHANSSON to present the Commission's draft response to a European Parliament resolution pursuant to Article 225 of the Treaty on the Functioning of the European Union (TFEU).

Ms JOHANSSON explained that the European Parliament resolution on EU legal migration policy and law invited the Commission to submit a proposal for an EU act containing a package of provisions to facilitate and promote entry into and mobility within the Union for legally migrating third-country nationals applying for work, reduce the necessary administrative formalities and promote equal treatment of such persons.

She explained that the Commission's main response to this resolution would be to propose a package of measures on skills and talents from next April. This package of measures would include a Communication setting out the next steps in the EU's legal migration policy in the medium- and long-term, a

recast of the Long-Term Residents Directive to improve the status of long-term residents in the EU and a recast of the Single Permit Directive to simplify and harmonise the rules on residence and work permits in the Member States. The Commission would also launch a number of measures to strengthen the implementation and effectiveness of the Employers Sanctions Directive. Furthermore, a talent pool would assist Member States and employers to meet the demands of the labour market that the domestic workforce could not meet, thereby attracting different skill levels. Finally, the Commission would present the next steps in the development of the Talent Partnerships that were launched in June 2021 with the EU's main third-country partners.

The PRESIDENT thanked Ms JOHANSSON and noted the College's approval of the line proposed in SP(2022) 93, including the draft letter to be sent to the European Parliament by Mr ŠEFČOVIČ.

The Commission took note of this information.

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The first sitting closed at 12.42.

Second sitting: Thursday 24 February 2022 (morning)

The second sitting opened at 9.35 with Ms von der LEYEN, President, in the chair.

Present:

Ms von der LEYEN	President
Mr TIMMERMANS	Executive Vice-President
Ms VESTAGER	Executive Vice-President
Mr DOMBROVSKIS	Executive Vice-President
Mr BORRELL i FONTELLES	High Representative / Vice-President
Mr ŠEFČOVIČ	Vice-President
Ms JOUROVÁ	Vice-President
Ms ŠUICA	Vice-President
Mr SCHINAS	Vice-President
Mr HAHN	Member
Mr SCHMIT	Member
Mr GENTILONI	Member
Mr WOJCIECHOWSKI	Member
Mr BRETON	Member
Ms FERREIRA	Member
Ms KYRIAKIDES	Member
Mr REYNDERS	Member
Ms DALLI	Member
Ms VÁLEAN	Member
Mr VÁRHELYI	Member
Ms SIMSON	Member
Mr SINKEVIČIUS	Member
Ms McGUINNESS	Member

Absent:

Ms GABRIEL	Member
Ms JOHANSSON	Member
Mr LENARČIČ	Member
Ms URPILAINEN	Member

The following sat in to represent an absent Member of the Commission:

Ms ROUCH	Chef de cabinet to Ms GABRIEL
Mr SNELS	Deputy Chef de cabinet to Ms JOHANSSON
Ms SIMKIĆ	Chef de Cabinet to Mr LENARČIČ
Ms BARTELT	Deputy Chef de cabinet to Ms URPILAINEN

The following also sat in:

Mr ANDRESEN GUIMARAES	Adviser in the PRESIDENT's Office
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
Ms PETKOVA	Director of Coordination and Administration in the PRESIDENT's Office
Mr FLOSDORFF	Executive Adviser in the PRESIDENT's Office
Ms SCHULTZ	Policy Coordinator in the PRESIDENT's Office
Mr KARNITSCHNIG	Director in the Secretariat-General
Ms ALLOUIS-LE LOSTEC	Head of Unit in the Secretariat-General

Secretary: Mr LEARDINI, Deputy Secretary-General, assisted by Ms DEPREZ, Director in the Secretariat-General.

12. OTHER BUSINESS (CONTINUED)

LATEST DEVELOPMENTS IN THE GEOPOLITICAL SITUATION

During the second part of the College meeting, held on Thursday 24 February, the PRESIDENT condemned in the strongest possible terms the military aggression against Ukraine announced the previous night by the Russian President.

She indicated that, in response to this act of aggression by Russia against Ukraine, the Commission's departments had finalised a second package of sanctions that was proposed that day, targeting strategic sectors of the Russian economy.

This package of sanctions was based on five pillars, namely, the financial sector, the energy sector, the transport sector, export control and visa policy.

These measures were presented, respectively, by Ms McGUINNESS, Ms SIMSON, Ms VĂLEAN, Mr DOMBROVSKIS and the PRESIDENT on behalf of Ms JOHANSSON, who was absent that day.

Following this presentation, the PRESIDENT pointed out that the Russian President had chosen military force over diplomacy, and that the EU had responded by using economic and financial leverage.

She also drew attention to the crisis preparedness work undertaken in the EU in recent months, particularly in the field of energy, and said that the emergency plans for the reception of war refugees from Ukraine were now ready. She noted that it would be necessary to activate the EU Civil Protection Mechanism, and to call on other forms of humanitarian assistance as soon as possible.

Mr BORRELL considered that the world was entering a period of great uncertainty, that Russia would attempt to test the West and that the EU would need new tools to meet the challenges it was facing.

The PRESIDENT concluded the meeting by expressing her sincere gratitude to the

College and the Commission's departments for the considerable work they had carried out in very tight deadlines to enable the rapid adoption of these restrictive measures.

The Commission took note of this information.

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The Commission's other discussions on certain agenda items are recorded in the special minutes.

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The meeting closed at 11.02.