



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2022) 2440 final

- English translation of the French version which is authentic -

Strasbourg, 14 February 2023

TEXTE EN

MINUTES

of the 2440th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 7 December 2022

(morning)

PV(2022) 2440 final

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Single sitting: Wednesday 7 December 2022 (morning)

The sitting opened at 9.07 with Mr TIMMERMANS in the chair.

Present:

Mr TIMMERMANS	Executive Vice-President	
Ms VESTAGER	Executive Vice-President	Items 19/21 (in part) and 22
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	
Ms GABRIEL	Member	Items 8/11 to 22
Mr SCHMIT	Member	
Mr GENTILONI	Member	
Mr WOJCIECHOWSKI	Member	Items 1 to 22.3 (in part)
Mr BRETON	Member	Items 8/11 (in part) to 22
Ms FERREIRA	Member	
Ms KYRIAKIDES	Member	Items 1 to 22/3 (in part)
Mr REYNDERS	Member	
Ms DALLI	Member	
Ms JOHANSSON	Member	
Mr LENARČIČ	Member	
Ms VÁLEAN	Member	Items 8/11 (in part) to 22
Mr VÁRHELYI	Member	Items 8/11 (in part) to 12/18, and 22

Ms URPILAINEN	Member	Items 19/21 and 22
Ms SIMSON	Member	Items 8/11 (in part) to 22
Mr SINKEVIČIUS	Member	
Ms McGUINNESS	Member	

Absent:

Ms von der LEYEN President

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

Ms CANENBLEY	Deputy Head of Cabinet to Ms VESTAGER	Items 1 to 19/21 (in part)
Ms BARTELT	Deputy Head of Cabinet to Ms URPILAINEN	Items 1 to 12/18

The following also sat in:

Mr SEIBERT	Head of 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 cabinet	
Ms CABRAL	Adviser in the PRESIDENT's cabinet	Items 19/21
Mr VALERO	Secretariat-General	
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) 2440/FINAL; SEC(2022) 2440/FINAL)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF HEADS OF CABINET

(RCC(2022) 2440)

The Commission considered the Secretary-General's report on the weekly meeting of Heads of Cabinet held on Monday 5 December 2022.

3. APPROVAL OF THE MINUTES

(PV(2022) 2436; PV(2022) 2436, 2ND PART; PV(2022) 2437; PV(2022) 2437, 2ND PART)

The Commission approved the minutes of its 2436th and 2437th meetings of 9 and 16 November 2022 and decided to hold over approval of the minutes of its 2438th and 2439th meetings of 22 and 30 November 2022 until a later meeting.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2022) 218)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held by videoconference on Thursday 1 December 2022 (RCC(2022) 218).

The Commission approved the lines proposed for the following points:

- **‘Fit for 55’ – Use of renewable and low-carbon fuels in maritime transport and amendment of Directive 2009/16/EC (Regulation) – WARBORN report – 2021/0210 (COD)**

Line set out in SI(2022) 477.

- **‘Fit for 55’ – Ensuring a level playing field for sustainable air transport (Regulation) – GADE report – 2021/0205 (COD)**

Line set out in SI(2022) 469.

- **‘Fit for 55’ – Aviation**
 - **Amendment of Directive 2003/87/EC as regards aviation’s contribution to the Union’s economy-wide emission reduction target and appropriately implementing a global market-based measure (Directive) – GLAVAK report – 2021/0207 (COD)**
 - **Amendment of Directive 2003/87/EC as regards the notification of offsetting in respect of a global market-based measure for aircraft operators based in the Union (Decision) – GLAVAK report – 2021/0204 (COD)**

Line set out in SI(2022) 472/2.

- **Batteries and waste batteries, repeal of Directive 2006/66/EC and amendment of Regulation (EU) 2019/1020 (Regulation) – BONAFÈ report – 2020/0353 (COD)**

Line set out in SI(2022) 466/2.

- **Amendment of Directive 2003/25/EC as regards the inclusion of improved stability requirements and its alignment with stability requirements defined by the International Maritime Organisation (Directive) – ZĪLE report – 2022/0036 (COD)**

Line set out in SI(2022) 467.

- **Implementation of the Single European Sky (recast) (Regulation) – MARINESCU report – 2013/0186 (COD) / Amendment of Regulation (EU) 2018/1139 as regards the capacity of the European Union Aviation Safety Agency to act as Performance Review Body of the Single European Sky (Regulation) – LIBERADZKI report – 2020/0264 (COD)**

Line set out in SI(2022) 468.

- **Establishment of a collaboration platform to support the functioning of Joint Investigation Teams and amendment of Regulation (EU) 2018/1726 (Regulation) – AZMANI report – 2021/0391 (COD)**

Line set out in SI(2022) 471.

- **Rules for the exercise of the Union's rights in the implementation and enforcement of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community and of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (Regulation) – HÜBNER & KELLY & SCHIEDER report – 2022/0068 (COD)**

Line set out in SI(2022) 476.

- **Making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repeal of Regulation (EU) No 995/2010 (Regulation) – HANSEN report – 2021/0366 (COD)**

Line set out in SI(2022) 454/2.

- **‘REPowerEU’ – Amendment of Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amendment of Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (Regulation) – MUREŞAN, GARDIAZABAL RUBIAL & PÎSLARU report – 2022/0164 (COD)**

Line set out in SI(2022) 491/2.

- **Temporary restriction on non-essential travel into the EU and the possible lifting of such restriction, and amendment of Council Recommendation 2020/912 (Council Recommendation) – 2021/0397 (NLE)**

Line set out in SI(2022) 460.

- **A coordinated approach by the Union to strengthen the resilience of critical infrastructure (Council Recommendation) – 2022/0338 (NLE)**

Line set out in SI(2022) 473.

- **Fixing for 2023 of the fishing opportunities for certain stocks and groups of fish stocks applicable in the Mediterranean and Black Seas and amendment of Council Regulation (EU) 2022/110 as regards the fixing of fishing opportunities for 2022 applicable in the Mediterranean and the Black Seas (Council Regulation) – 2022/0325 (NLE)**

Line set out in SI(2022) 479.

- **Fixing for 2023 of the fishing opportunities for certain fish stocks, applicable in Union waters and, for Union fishing vessels, in certain non-Union waters, as well as fixing for 2023 and 2024 such fishing opportunities for certain deep-sea fish stocks (Council Regulation) – 2022/0343 (NLE)**

Line set out in SI(2022) 478.

- **Establishment of an instrument for providing support to Ukraine for 2023 (macro-financial assistance +) (Regulation) – 2022/0371 (COD)**

Line set out in SI(2022) 481.

- **EU Action plan on the Western Balkans**

Line set out in SI(2022) 475/2.

- **Council Conclusions on the Special Report No 19/2022 by the European Court of Auditors: ‘COVID-19 vaccine procurement – Sufficient doses secured after initial challenges, but performance of the process not sufficiently assessed’**

Line set out in SI(2022) 480.

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

- **Commission replies to the legislative resolutions adopted by the European Parliament at its part-session of November I 2022**

Line set out in SP(2022) 688.

- **Commission replies to the non-legislative resolutions adopted by the European Parliament at its part-sessions of September, October I and October II 2022**

Line set out in SP(2022) 691/2.

The Commission took note of the following points:

- **Addressing situations of instrumentalisation in the field of migration and asylum (Regulation) – JAKI report – 2021/0427 (COD)**

Information set out in SI(2022) 453.

- **Revision of EU rules on Anti-Money Laundering**
 - **Prevention of the use of the financial system for the purposes of money laundering or terrorist financing (Regulation) – HEINÄLUOMA & CARÊME report – 2021/0239 (COD)**
 - **Mechanisms to be put in place by the Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and repealing Directive (EU) 2015/849 (Directive) – NIEDERMAYER & TANG report – 2021/0250 (COD)**

Information set out in SI(2022) 470/3.

5. COORDINATION OF EXTERNAL ACTION (RCC(2022) 44)

The Commission took note of the operational conclusions in RCC(2022) 44 of the meeting of the Group for External Coordination (EXCO) held on Wednesday 30 November 2022.

6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

6.1. WRITTEN PROCEDURES APPROVED (SEC(2022) 407 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 28 November and 4 December 2022.

6.2. EMPOWERMENT (SEC(2022) 408 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 28 November and 4 December 2022.

6.3. DELEGATION / SUBDELEGATION OF POWERS
(SEC(2022) 409 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedures between 28 November and 4 December 2022 archived in Decide.

6.4. SIGNIFICANT WRITTEN PROCEDURES
(SEC(2022) 410 AND /2)

The Commission took note of the significant written procedures for which the time limit expired between 5 and 9 December 2022, and of the finalisation written procedures.

7. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2022) 411)

ADMINISTRATIVE MATTERS
(PERS(2022) 86)

**7.1. DG HUMAN RESOURCES AND SECURITY – APPOINTMENT OF A
SPECIAL ADVISER**
(PERS(2022) 87)

On a proposal from Mr HAHN, in agreement with the PRESIDENT, the Commission decided:

- to appoint Mr Frans VAN DAELE to the post of Special Envoy for the promotion of freedom of religion or belief outside the European Union;

- to designate Mr Frans VAN DAELE as a special adviser to Mr SCHINAS and to grant him an unpaid contract for a maximum of 80 working days to be worked over a period of one year. In order to carry out his mission, he would benefit from existing resources of DG Justice and Consumers (DG JUST) and would rely on the cooperation of the European External Action Service;
- to authorise Mr HAHN, the Member of the Commission responsible for the budget and human resources, by derogation from point 6(2) of Commission Decision C(2007) 6655, to amend Mr Frans VAN DAELE's contract in the event of duly justified and urgent needs, subject to the availability of sufficient budgetary appropriations;
- to authorise the Director-General of DG Human Resources and Security to implement this decision by signing the contract on behalf of the authority empowered to conclude contracts of employment.

These decisions would take effect immediately.

7.2. *INTERNAL AUDIT SERVICE – AUTHORISATION FOR THE INTERNAL PUBLICATION OF THE VACANCY NOTICE FOR THE POST OF DIRECTOR-GENERAL, AT GRADE AD15/16 (PERS(2022) 88)*

On a proposal from Mr HAHN, in agreement with the PRESIDENT, the Commission decided to authorise the internal publication, at grade AD15/16 of the vacancy notice set out in PERS(2022) 88 for the post of Director-General of DG Internal Audit Service, in accordance with Article 29(1)(a)(i) and (iii) of the Staff Regulations.

This decision would take effect immediately.

7.3. *DG INFORMATICS – AUTHORISATION FOR THE INTERNAL AND INTERINSTITUTIONAL PUBLICATION, AT GRADE AD15/16, AND*

**EXTERNAL PUBLICATION, AT GRADE AD15, OF A POST OF
DEPUTY DIRECTOR-GENERAL
(PERS(2022) 89)**

On a proposal from Mr HAHN, in agreement with the PRESIDENT, the Commission decided to authorise the internal and interinstitutional publication, at grade AD15/16, and external publication, at grade AD15, of the vacancy notice set out in PERS(2022) 89 for the post of Deputy Director-General responsible for Directorates C and D in DG Informatics, in accordance with Article 29(1)(a)(i) and (iii), Article 29(1)(b) and Article 29(2) of the Staff Regulations.

These decisions would take effect immediately.

- 8. PROPOSAL FOR A COUNCIL REGULATION AMENDING REGULATION (EU) NO 904/2010 AS REGARDS THE VAT ADMINISTRATIVE COOPERATION ARRANGEMENTS NEEDED FOR THE DIGITAL AGE (COM(2022) 703; RCC(2022) 230)**
- 9. PROPOSAL FOR A COUNCIL DIRECTIVE AMENDING DIRECTIVE 2006/112/EC AS REGARDS VAT RULES FOR THE DIGITAL AGE (COM(2022) 701 AND /2; SWD(2022) 393 AND /2; SWD(2022) 394; SEC(2022) 433; RCC(2022) 230)**
- 10. PROPOSAL FOR A COUNCIL IMPLEMENTING REGULATION AMENDING IMPLEMENTING REGULATION (EU) NO 282/2011 AS REGARDS THE INFORMATION REQUIREMENTS FOR CERTAIN VAT SCHEMES (COM(2022) 704; RCC(2022) 230)**

11. PROPOSAL FOR A COUNCIL DECISION AMENDING DIRECTIVE 2011/16/EU ON ADMINISTRATIVE COOPERATION IN THE FIELD OF TAXATION (DAC8)

(COM(2022) 707 AND /2; SWD(2022) 400; SWD(2022) 401; SWD(2022) 402; SEC(2022) 438; RCC(2022) 230)

At the invitation of Mr TIMMERMANS, Mr DOMBROVSKIS presented the package of measures on taxation, which came in two main components, one on value-added tax in the digital age (ViDA) and the other on administrative cooperation in the field of taxation (DAC8).

Mr DOMBROVSKIS pointed out that these initiatives followed on from the 2020 Action Plan for fair and simple taxation, one of the main aims of which was to support Europe's economies in the green and digital transitions. Tax fairness and combating tax evasion were also major aspects of the plan.

To begin with, he stressed the importance of being able to benefit from the new opportunities provided by digitisation in the field of taxation, which would facilitate the work of the tax authorities and businesses.

He then noted that the digitisation of the economy brought with it new risks, and the availability of data and the exchange of information between tax authorities were essential to fight tax fraud and avoidance effectively. The measures proposed contributed fully towards these objectives.

Mr DOMBROVSKIS emphasised that value-added tax (VAT) was an extremely challenging area of taxation to reform, noting that the system currently in force was a transitional VAT system that had existed since the beginning of the 1990s. The Commission had proposed a definitive VAT system in 2018, but, pending its adoption by the Member States, it had proved necessary to continue to adapt the EU legislation to the changes in the economic environment. The measures concerning VAT in the digital age (ViDA) would strengthen both the existing transitional VAT system and the definitive system, when it was adopted.

As regards the proposal on administrative cooperation in the field of taxation (DAC8), this eighth consecutive extension to the scope of information exchanged between tax authorities concerned crypto-assets, which, by their nature, were prone to risks of tax fraud and evasion.

Mr DOMBROVSKIS welcomed the recent agreement by the co-legislator on the proposal for a Regulation on markets in crypto-assets (MiCA). He stressed, however, that the information necessary under that Regulation was for investor protection and prudential purposes, which differentiated it from the information that the tax authorities needed to collect and exchange in order to tax income from crypto-assets.

Mr GENTILONI stressed that fair and efficient taxation was crucial to secure tax revenues for the economic recovery, with sufficient public investment, on the one hand, and to create a business-friendly environment, especially for small and medium-sized enterprises (SMEs), on the other hand.

The VAT in the digital age measures were needed to prevent the VAT system from being exploited by fraudsters. In addition, EU tax authorities did not possess the necessary information on transactions performed by natural and legal persons within the EU and could not, therefore, exercise their rights to tax EU crypto-asset users.

Mr GENTILONI pointed out that the measures concerning VAT in the digital age were aimed at aligning the existing VAT system to modern business realities in three main areas.

Firstly, there would be a change in digital reporting standards to tackle fraud, with the introduction of an EU-wide standard for the real-time reporting of supplies based on e-invoicing.

Secondly, the existing rules needed to be changed for platforms in the passenger transport and short-term accommodation sectors, as they led to unequal VAT treatment between services supplied via a platform, many of which went

untaxed, and the same services provided via the traditional economy, which were taxed. Platform operators in those sectors would be made accountable for collecting and remitting VAT to tax authorities when service providers did not do so, for example because they are small businesses or individual providers. This would also help Member States to raise much needed revenue for their policies.

Thirdly, businesses selling to consumers in another Member State would be able to benefit from single registration for VAT purposes for the whole of the EU. EU legislation on e-commerce came into force in 2021 and simplified the rules for cross-border supplies of goods. However, many instances remained where businesses had to register in several Member States. The proposal presented that day broadens the principle of single VAT registration modelled on the EU VAT One-Stop Shop for e-commerce businesses.

Mr GENTILONI then turned to the proposal to strengthen administrative cooperation between Member States in the field of taxation (DAC8) by extending the scope of the original Directive to crypto-assets.

With regard to the requirements on crypto-asset reporting and exchange, he noted that the aim of the Directive on administrative cooperation was to increase tax transparency. The aim of that day's proposal was therefore not to impose a taxation system on crypto-assets, but to allow the competent EU tax authorities to receive information on users that they would not otherwise receive and to exchange information among them.

Mr GENTILONI added that the Directive was designed to be fully compliant with data protection requirements.

The reporting requirements and due diligence procedures for reporting crypto-asset service providers were based on an existing international framework (the crypto-assets reporting framework or CARF) developed by the OECD for tax transparency purposes.

A brief discussion followed which focused on the following points:

- the importance of the package of measures presented for the EU economy and businesses, that would make it possible to put the European Union at the cutting edge of the digital decade, while harmonising certain rules in the European internal market;
- satisfaction with the proposals, which took account of the interests and constraints of small and medium-sized enterprises through, for example, a reduction in costs thanks to the One-Stop Shop mechanism and the special schemes adapted for such businesses.

Following these presentations, the Commission agreed, on a proposal from Mr TIMMERMANS, that the proposal for a Council Regulation, the proposal for a Council Directive, the proposal for a Council Implementing Regulation and the proposal for a Council Decision, currently set out respectively in documents COM(2022) 703, COM(2022) 701/2, COM(2022) 704 and COM(2022) 707/2, would be adopted by finalisation written procedure, the deadline for which was set at 10.00 on Thursday 8 December 2022 (PE/2022/9176, PE/2022/9174, PE/2022/9175 and PE/2022/9228).

- 12. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE – A PATH TOWARDS A STRONGER EU CLEARING SYSTEM
(COM(2022) 696 AND /2; RCC(2022) 231)**
- 13. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING REGULATIONS (EU) NO 648/2012, (EU) NO 575/2013 AND (EU) 2017/1131 AS REGARDS MEASURES TO MITIGATE EXCESSIVE EXPOSURES TO THIRD-COUNTRY CENTRAL**

**COUNTERPARTIES AND IMPROVE THE EFFICIENCY OF UNION
CLEARING MARKETS**

**(COM(2022) 697; SWD(2022) 697; SWD(2022) 698; SEC(2022) 697;
RCC(2022) 231)**

- 14. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL AMENDING DIRECTIVES 2009/65/EU, 2013/36/EU AND
(EU) 2019/2034 AS REGARDS THE TREATMENT OF CONCENTRATION
RISK TOWARDS CENTRAL COUNTERPARTIES AND THE
COUNTERPARTY RISK ON CENTRALLY CLEARED DERIVATIVE
TRANSACTIONS**

(COM(2022) 698; RCC(2022) 231)

- 15. PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT
AND OF THE COUNCIL AMENDING REGULATIONS (EU) 2017/1129, (EU)
NO 596/2014 AND (EU) NO 600/2014 TO MAKE PUBLIC CAPITAL
MARKETS IN THE UNION MORE ATTRACTIVE FOR COMPANIES AND
TO FACILITATE ACCESS TO CAPITAL FOR SMALL AND MEDIUM-
SIZED ENTERPRISES**

**(COM(2022) 762 AND /2; SWD(2022) 762 AND /2; SWD(2022) 763;
SEC(2022) 760; RCC(2022) 231)**

- 16. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL AMENDING DIRECTIVE 2014/65/EU TO MAKE
PUBLIC CAPITAL MARKETS IN THE UNION MORE ATTRACTIVE FOR
COMPANIES AND TO FACILITATE ACCESS TO CAPITAL FOR SMALL
AND MEDIUM-SIZED ENTERPRISES AND REPEALING
DIRECTIVE 2001/34/EC**

**(COM(2022) 760 AND /2; SWD(2022) 762 AND /2; SWD(2022) 763;
SEC(2022) 760; RCC(2022) 231)**

17. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON MULTIPLE-VOTE SHARE STRUCTURES IN COMPANIES THAT SEEK THE ADMISSION TO TRADING OF THEIR SHARES ON AN SME GROWTH MARKET

(COM(2022) 761 AND /2; SWD(2022) 762 AND /2; SWD(2022) 763; SEC(2022) 760; RCC(2022) 231)

18. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL HARMONISING CERTAIN ASPECTS OF INSOLVENCY LAW

(COM(2022) 702 AND /2; SWD(2022) 395; SWD(2022) 396; SEC(2022) 434; RCC(2022) 231)

Mr TIMMERMANS asked the responsible Members of the College to present the Capital Markets Union package.

Mr DOMBROVSKIS began by saying that the package proposed that day is a further step towards the creation of a single market for capital in the EU, a project that had been launched in 2015. While a lot of progress had been achieved over the last seven years, much remained to be done to complete the Capital Markets Union.

The aim, first of all, was to broaden the opportunities for European companies, both start-ups and large companies, to secure the investment they needed to thrive and create jobs. This would help to underpin EU growth in the long term.

Mr DOMBROVSKIS then highlighted the current situation in the EU, with 27 national capital markets that were neither fully developed nor fully integrated. He pointed out how important it was to address this issue in order to boost the EU's overall competitiveness.

The proposal on business insolvency was aimed at harmonising certain substantive requirements for the first time at EU level, in order to remove a major obstacle to

the free movement of capital in the Union and thus contribute to a greater integration of capital markets.

The legislation on listing would make it easier for small and medium-sized enterprises (SMEs) to access listing on a stock exchange, while providing appropriate safeguards for all shareholders. The strategy on clearing services was intended to ensure that the EU had a secure, robust and competitive clearing system able to withstand financial risks arising from the excessive exposure of EU market participants to third-country central counterparties (CCPs).

Turning to the proposal on business insolvency, Ms JOUROVÁ pointed out that the EU already had legislation on pre-insolvency procedures to allow for the restructuring of viable companies in financial difficulty, and post-insolvency legislation providing for the discharge of debt in order to give entrepreneurs a second chance. With the proposal presented that day, the Commission was focusing on substantive rules on corporate insolvency, in response to calls for the harmonisation of national frameworks.

She welcomed the fact that, for the areas covered by the proposal, there would now be rules that ensured efficient procedures, transparency for creditors and a reduction in liquidation costs for micro-enterprises.

Ms McGUINNESS underlined the importance of the Capital Markets Union in responding to the huge need for capital for the green and digital transitions.

In relation to the business insolvency proposal, there were currently significant differences between Member States in terms of the time needed to liquidate a company, which could vary between seven months and seven years. The proposal addressed the needs of investors and entrepreneurs alike.

As for the legislation on stock exchange listing, the Commission was simplifying listing rules and providing help to companies to enable them to call on public savings and to remain listed. The legislation also included provisions to encourage

investment in research, in particular by small and medium-sized enterprises, such as the proposal on a European Single Access Point providing information to undertakings.

Ms McGUINNESS wound up by mentioning the strategy on clearing services. Central counterparties were important in ensuring financial stability, especially in the context of the energy crisis. In that regard, certain risks arose from the fact that operators in the EU market were excessively reliant on the services of UK-based central counterparties. She reported that the equivalence decision for UK central counterparties had been extended until June 2025 and that in the meantime, the proposed strategy would encourage European market operators to use clearing services in the EU.

Mr REYNDERS began by referring to the proposal for a Directive on shares with multiple voting rights. That day's proposal would make stock exchange listing more attractive for businesses with growth potential, including small and medium-sized enterprises, while reducing current inequalities in the single market.

The multiple-vote share structure allowed entrepreneurs to retain their decision-making power, but approaches to this issue were currently fragmented within the EU. The Commission's proposal was designed to ensure minimum harmonisation of national rules in this area and to resolve the differences that existed between national systems.

Second, Mr REYNDERS referred to the proposal for a Directive on corporate insolvency, which was a targeted initiative to harmonise substantive insolvency rules in an area that had traditionally been regulated solely by the Member States. The proposal had three main objectives, namely (i) to maximise value recovery from insolvent firms for creditors, (ii) to enhance the efficiency of and to simplify insolvency procedures, and (iii) to facilitate the fair distribution of recovered value among creditors.

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

- the benefits for the EU economy of the various measures presented that day;
- the strong signal that the package sent to small and medium-sized enterprises, thanks to the adoption of simplified and pragmatic rules on stock-exchange listing and on insolvency matters;
- the observation that 90% of clearing business was currently handled in the United Kingdom and the impact that any crisis on the UK financial market could have on the EU;
- the resulting need to get European operators involved in progressively diversifying the clearing services they used;
- the fact that the listing legislation had been planned when the new European Innovation Agenda had been adopted the previous July and that it reflected the request by innovators and innovative start-ups in the EU to be able to access European stock exchanges with limited share issue costs;
- the need to simplify access for small and medium-sized enterprises to capital markets, the cost of risk analysis by the banking sector being frequently too high for the scale of the investment;
- the link between harmonising insolvency rules and the proper functioning of the Banking Union, and the importance in this connection for the Commission to continue its work in this area.

Following these presentations, the Commission:

- approved the Communication in COM(2022) 696/2 for transmission to the European Parliament, the Council, the European Central Bank and the European

Economic and Social Committee, and, for information, to the national parliaments;

- adopted the proposal for a Regulation in COM(2022) 697 for transmission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 697, SWD(2022) 698 and SEC(2022) 697, the contents of which were noted;
- adopted the proposal for a Directive set out in COM(2022) 698 for transmission to the European Parliament, the Council, the European Central Bank and the national parliaments, and, for information, to the European Economic and Social Committee;
- adopted the proposal for a Regulation in COM(2022) 762/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 762/2, SWD(2022) 763 and SEC(2022) 760, the contents of which were noted;
- adopted the proposal for a Directive in COM(2022) 760/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 762/2, SWD(2022) 763 and SEC(2022) 760, the contents of which were noted;
- adopted the proposal for a Directive in COM(2022) 761/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in

SWD(2022) 762/2, SWD(2022) 763 and SEC(2022) 760, the contents of which were noted;

- adopted the proposal for a Directive in COM(2022) 702/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the national parliaments, together with the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 395, SWD(2022) 396 and SEC(2022) 434, the contents of which were noted.

**19. PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON STANDARDS FOR EQUALITY BODIES IN THE FIELD OF EQUAL TREATMENT AND EQUAL OPPORTUNITIES BETWEEN WOMEN AND MEN IN MATTERS OF EMPLOYMENT AND OCCUPATION, AND DELETING ARTICLE 20 OF DIRECTIVE 2006/54/EC AND ARTICLE 11 OF DIRECTIVE 2010/41/EU
(COM(2022) 688 AND /2; SWD(2022) 386; SWD(2022) 387; RCC(2022) 227)**

**20. PROPOSAL FOR A COUNCIL DIRECTIVE ON STANDARDS FOR EQUALITY BODIES IN THE FIELD OF EQUAL TREATMENT BETWEEN PERSONS IRRESPECTIVE OF THEIR RACIAL OR ETHNIC ORIGIN, EQUAL TREATMENT IN THE FIELD OF EMPLOYMENT AND OCCUPATION BETWEEN PERSONS IRRESPECTIVE OF THEIR RELIGION OR BELIEF, DISABILITY, AGE OR SEXUAL ORIENTATION, EQUAL TREATMENT BETWEEN WOMEN AND MEN IN MATTERS OF SOCIAL SECURITY AND IN THE ACCESS TO AND SUPPLY OF GOODS AND SERVICES, AND DELETING ARTICLE 13 OF DIRECTIVE 2000/43/EC AND ARTICLE 12 OF DIRECTIVE 2004/113/EC
(COM(2022) 689 AND /2; SWD(2022) 386; SWD(2022) 387; RCC(2022) 227)**

21. PROPOSAL FOR A COUNCIL REGULATION ON JURISDICTION, APPLICABLE LAW, RECOGNITION OF DECISIONS AND ACCEPTANCE OF AUTHENTIC INSTRUMENTS IN MATTERS OF PARENTHOOD AND ON THE CREATION OF A EUROPEAN CERTIFICATE OF PARENTHOOD (COM(2022) 695 AND /2; SWD(2022) 390; SWD(2022) 391; SWD(2022) 392; SEC(2022) 432; RCC(2022) 228)

Mr TIMMERMANS invited Ms JOUROVÁ, as well as Ms DALLI and Mr REYNDERS, to present the equality package to the College. The package comprised two proposals for Directives to strengthen equality bodies and a proposal for a Regulation to harmonise at EU level rules under private international law relating to parenthood.

Ms JOUROVÁ presented the two proposals that sought to strengthen equality bodies. The proposals were part of the Commission's wider efforts to create a Union of equality, in line with the Commission's political guidelines for 2019-2024. Equality issues were also covered in a number of Commission strategies and action plans that aimed to tackle discrimination.

Under current EU rules, national equality bodies had to be established in all Member States, but national authorities had considerable discretion when it came to applying the relevant provisions. Consequently, there were significant disparities in terms of the resources, independence and powers that equality bodies had, thereby leading to disparities in terms of the support given to victims of discrimination. She highlighted the difficult situation facing equality bodies in certain Member States, where funding was unstable and unpredictable; moreover, in some cases, equality bodies were attached to a Ministry, limiting their independence from government.

In her view, the proposed standards would help to ensure that people received more effective assistance, would contribute to more effective enforcement of EU law and would generally help to prevent discrimination. She also highlighted the non-regression clause for Member States whose rules offered greater protection,

noting that those Member States were naturally free to exceed the minimum standards proposed in the Directives.

Lastly, Ms JOUROVÁ explained that the two proposals for Directives were almost identical but had two different legal bases – Articles 19 and 157 respectively of the Treaty on the Functioning of the European Union (TFEU) – which required different procedures for adoption: unanimity in one case and qualified majority in the other.

Ms DALLI then took the floor and pointed to the untapped potential of these bodies in terms of preventing and combating discrimination. She highlighted statistics from the European Union Agency for Fundamental Rights regarding EU citizens' perception of existing discrimination, which had changed little over the last two decades.

She stressed that legal guarantees of independence were not always sufficient for equality bodies. In many Member States, they did not have the resources needed to carry out their tasks, nor did they have the power to take legal action to support victims of discrimination or intervene in public policy.

The proposals for Directives therefore focused on capacity-building for equality bodies so that they could contribute to enforcing EU equality rules, help victims of discrimination seek legal redress and carry out prevention, promotion and awareness-raising activities.

Lastly, Ms DALLI said that governments would be required to consult these bodies and take their recommendations into account in policy-making. Equality bodies would also see their remits expanded to include discrimination on the grounds of religion, age and sexual orientation.

Ms JOUROVÁ indicated that the proposal on the recognition of parenthood between Member States was based on the PRESIDENT's State of the Union address

in 2020, as well as on the relevant case-law of the Court of Justice of the European Union.

She stressed that the proposal did not define the concept of a family and reminded the College of situations in the past where long negotiations in the Council had secured an agreement on other matters that also required unanimity.

With that in mind, Ms JOUROVÁ stressed that communication efforts would be essential for this proposal.

With regard to the proposal on the recognition of parenthood between Member States, Mr REYNDERS noted that, in her 2020 State of the Union address, the PRESIDENT had referred to the need to ensure that parenthood established in one Member State was recognised in all other Member States.

He stressed that the proposal would allow children in cross-border situations to benefit from the rights derived from parenthood under national law in matters such as succession, maintenance, custody or the right of parents to act as the legal representative of the child, for schooling or health matters, for example.

The proposal covered various aspects, in particular the question of determining the competent courts in the Member States and the applicable law for parenthood matters. As a general rule, the applicable law on parenthood should be that of the country of habitual residence of the woman who gave birth to the child but, if applying that rule led to parenthood being established for one parent only, other options were available to ensure that it could be established for both parents.

Mr REYNDERS also referred to the recognition of legal decisions and authentic instruments establishing parenthood or providing proof of established parenthood and the fact that parenthood established in one Member State should, as a general rule, be recognised in all other Member States without any special procedure being required. Lastly, he referred to the creation of a European Certificate of Parenthood, which a child (or their legal representatives) could request from the Member State

that had established parenthood; the certificate could then be used to prove their legal situation in all other Member States.

Mr REYNDERS concluded by pointing out that the proposal did not seek to define what a family was or to harmonise family law, which remained a Member State competence.

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

- broad support for the package of measures, which was considered to be ambitious and timely;
- with regard to the proposal on the recognition of parenthood between Member States, satisfaction with the greater protection afforded to children's rights in cross-border situations;
- moreover, the importance of the cost and time savings and reduced administrative burden for families and public authorities in the Member States;
- a statement to the effect that, while the proposal included the recognition of parenthood where both parents of a child were of the same sex, it did not, however, affect the Member States' powers to adopt substantive rules on family law, such as rules on the definition of a family or on the establishment of parenthood in national contexts;
- the need to clearly explain the proposal to the Member States, as its adoption required unanimity in the Council;
- as for the two proposals that sought to strengthen equality bodies, questions about the figures on perceived discrimination, as well as on the source of those figures and the methodology used.

Mr TIMMERMANS wrapped up the meeting by confirming that the proposal on parenthood concerned children's fundamental rights and that it was important to stress that point in the Commission's communication efforts.

Following these presentations, the Commission:

- adopted the proposal for a Directive in COM(2022) 688/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, the European Data Protection Supervisor and the national parliaments, together with the staff working documents distributed as SWD(2022) 386 and SWD(2022) 387, the contents of which were noted;
- adopted the proposal for a Council Directive in COM(2022) 689/2 for transmission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, the European Data Protection Supervisor and the national parliaments, together with the staff working documents distributed as SWD(2022) 386 and SWD(2022) 387, the contents of which were noted;
- adopted the proposal for a Council Regulation in COM(2022) 695/2 for transmission to the Council and, for information, to the European Parliament, the European Economic and Social Committee, the Committee of the Regions, the European Data Protection Supervisor and the national parliaments, together with a staff working document, the impact assessment, the summary thereof and the opinion of the Regulatory Scrutiny Board in SWD(2022) 390, SWD(2022) 391, SWD(2022) 392 and SEC(2022) 432, the contents of which were noted.

22. OTHER BUSINESS

22.1. LATEST DEVELOPMENTS IN EXTERNAL RELATIONS

Mr BORRELL began by reporting on the outcome of the summit between the EU and the Western Balkan countries held in Tirana, Albania, on 6 December. At the end of the summit, the EU and its partners had issued a strong declaration, condemning Russia's war of aggression against Ukraine and calling on the parties to fully align with the positions set out under the Common Foreign and Security Policy, including the restrictive measures implemented by the EU.

The parties had also committed to step up their work on tackling hybrid threats, to counter foreign information manipulation and interference and to continue building the defence capabilities of the region, including through the European Peace Facility.

He welcomed the efforts made by the region's leaders to advance towards a comprehensive, legally binding agreement on the normalisation of relations between Serbia and Kosovo¹. There was now an opening for real progress that the two parties had to seize in order to find a definitive solution to their dispute.

Mr BORRELL then said that he had been in Poland the previous week and had witnessed the training activities of the EU Military Assistance Mission, which covered nearly 15 000 soldiers.

The frontline in Ukraine remained mostly static but the Ukrainian army was maintaining the strategic initiative in the theatre of war. More specifically, he

¹ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

noted that Ukraine's air defence had intercepted nearly 70% of Russian missiles targeting its territory and its energy infrastructure in particular.

He felt that Ukraine was better prepared for the cold weather thanks to winter equipment from its Western partners. Nevertheless, following the strikes by Russian missiles, between six and seven million Ukrainians were living without power, which could spark a new wave of migration to EU countries.

Mr BORRELL ended by mentioning his attendance at the ministerial meeting of the Organization for Security and Co-operation in Europe (OSCE) the previous week, where he had met the leaders of Azerbaijan and Armenia and discussed the future of the EU monitoring mission deployed since October at the border between the two countries. The mission was due to end on 19 December but discussions were still ongoing on ways of maintaining a European presence.

The Commission took note of this information.

22.2. ADEQUACY OF DATA PROTECTION BETWEEN THE EUROPEAN UNION AND THE UNITED STATES

Mr TIMMERMANS invited Mr REYNDERS to give an update on the ongoing work related to the new adequacy decision in the context of data protection between the European Union and the United States.

Mr REYNDERS stressed the importance of the agreement reached with the US administration following long and intense negotiations. In particular, a number of significant improvements had been introduced compared to the previous data protection mechanism, in order to comply with the requirements of the Court of Justice of the European Union.

He noted that the inter-service consultation on the draft decision had already taken place and explained that, as part of the final approval procedure, the

Commission would first have to obtain the opinion of the European Data Protection Board, which brought together all the national data protection authorities of the Member States. The next stage involved consultations with the Member States under the comitology arrangements. He mentioned that the European Parliament also had a right of scrutiny.

Mr REYNDERS added that, once these steps of procedure had been completed, a second inter-service consultation would take place, with a view to the adoption of the final adequacy decision by the Commission, probably before the summer.

The Commission took note of this information.

22.3. OUTCOME OF THE MINISTERIAL MEETING OF THE TRADE AND TECHNOLOGY COUNCIL (TTC)

At the invitation of Mr TIMMERMANS, Ms VESTAGER and Mr DOMBROVSKIS briefed the Commissioners on the main results of the recent ministerial meeting of the Trade and Technology Council (TTC), held in the United States on 5 December.

The Commission took note of this information.

22.4. RESULTS OF THE ECONOMIC AND FINANCIAL AFFAIRS COUNCIL

Mr TIMMERMANS invited Mr HAHN to brief the College on the discussions held at the Economic and Financial Affairs Council of Tuesday 6 December 2022, and in particular the point on the conditionality mechanism concerning Hungary.

First, Mr HAHN stressed that the ministers had asked the Commission to conduct a further assessment of the progress made by Hungary on the reforms that it had undertaken to implement, in addition to the opinion sent by the

Commission to the Council on 30 November. The Commission would carry out this additional assessment by the new deadline of midnight on 9 December 2022. He added that the Members of the Commission and their cabinets would be consulted via the Inter-institutional Relations Group (GRI) very shortly.

He explained that the Council had not been able to unanimously adopt an amendment to the multiannual financial framework to use the EU budget headroom to guarantee the loan for Ukraine in 2023 and 2024 and the Macro-Financial Assistance+ (MFA+) instrument, which created a framework for providing support to Ukraine.

Mr HAHN also noted that, at that Council meeting, it had not been possible to reach an agreement on the proposal on ensuring a global minimum level of taxation for multinational groups in the Union.

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 11.23.