



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2013) 2062 final

Strasbourg, 22 October 2013

MINUTES

of the 2062nd meeting of the Commission

held in Strasbourg

(Winston Churchill building)

Tuesday 8 October 2013

(afternoon)

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PV(2013) 2062 final

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Single sitting: Tuesday 8 October 2013 (afternoon)

The sitting opened at 13.12 with Mr BARROSO, President, in the chair.

Present:

Mr BARROSO	President	
Mr ALMUNIA	Vice-President	
Mr KALLAS	Vice-President	
Mr TAJANI	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr BARNIER	Member	Items 1 to 7 (in part)
Mr ŠEMETA	Member	
Mr DE GUCHT	Member	
Ms GEOGHEGAN-QUINN	Member	Items 1 to 7 (in part)
Mr LEWANDOWSKI	Member	
Ms DAMANAKI	Member	
Ms GEORGIEVA	Member	Items 1 to 7 (in part)
Mr OETTINGER	Member	
Ms HEDEGAARD	Member	
Mr FÜLE	Member	
Mr ANDOR	Member	
Mr BORG	Member	Item 7
Mr MIMICA	Member	

Absent:

Baroness ASHTON	High Representative/ Vice-President
Ms REDING	Vice-President
Ms KROES	Vice-President
Mr REHN	Vice-President
Mr POTOČNIK	Member
Mr PIEBALGS	Member
Ms VASSILIOU	Member
Mr HAHN	Member
Ms MALMSTRÖM	Member
Mr CIOLOŞ	Member

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

Mr BANNERMAN	Adviser in Baroness ASHTON's Office
Mr BALTAZAR	A member of Ms REDING's staff
Ms WOOD	A member of Ms KROES's staff
Ms JERN	A member of Mr REHN's staff
Ms VAN DER VLIES	Deputy Chef de cabinet to Mr POTOČNIK
Mr ROSA	A member of Mr PIEBALGS's staff
Mr HILL	Deputy Chef de cabinet to Ms VASSILIOU
Mr VOLLBRACHT	A member of Ms MALMSTRÖM's staff

The following also sat in:

Mr LAITENBERGER	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PAULGER	Director-General, DG Communication	Items 1 to 7 (in part)
Mr DOENS	Head of the Commission Spokesperson Service	
Ms AHRENKILDE HANSEN	Commission Spokeswoman	
Mr THEBAULT	Head of the Bureau of European Policy Advisers	
Ms VANNINI	Adviser in the PRESIDENT's Office	
Mr KLAUS	A member of the PRESIDENT's staff	Items 1 to 7 (in part)
Ms RIGHINI	A member of Mr ALMUNIA's staff	
Mr HAGER	Chef de cabinet to Mr OETTINGER	

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

The PRESIDENT opened the meeting of the Commission by paying tribute, personally and on behalf of the Commission, to the victims of the tragic accident which took place off the coast of the island of Lampedusa on Thursday 3 October. He stated that he would visit Lampedusa the next day, 9 October, with Ms MALMSTRÖM, in order to express the EU's solidarity, and that he would be meeting the President of the Italian Council of Ministers, Mr Enrico Letta, and the Minister for the Interior, Mr Angelino Alfano.

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1. AGENDAS

(OJ(2013) 2062/FINAL; SEC(2013) 510/2)

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

2. WEEKLY MEETING OF CHEFS DE CABINET

(RCC(2013) 2062)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 7 October.

3. MINUTES OF 2061ST MEETING (2 OCTOBER)

(PV(2013) 2061; PV(2013) 2061, PART II)

The Commission held over approval of the minutes of its 2061st meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS (RCC(2013) 125)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 4 October (RCC(2013) 125).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Ordinary legislative procedure (point 1.2 of the IRG record)

Dossiers at Parliament first reading

- Multiannual Financial Framework 2014-2020 – Cohesion policy – Common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) 1083/2006 (Regulation) – VAN NISTELROOIJ / KREHL report – 2011/0276 (COD)

The Commission approved the line set out in SI(2013) 516/3.

- Multiannual Financial Framework 2014-2020 – European Globalisation Adjustment Fund (2014-2020) (Regulation) – HARKIN report - 2011/0269 (COD)

The Commission approved the line set out in SI(2013) 508.

- Multiannual Financial Framework 2014-2020 – Union Civil Protection Mechanism (Decision) – GARDINI report – 2011/0461 (COD)

The Commission approved the line set out in SI(2013) 484 and /2.

- Multiannual Financial Framework 2014-2020 – Consumer Programme 2014-2020 (Regulation) – ROCHEFORT report – 2011/0340 (COD)

The Commission approved the line set out in SI(2013) 511.

- Multiannual Financial Framework 2014-2020 – Health for Growth Programme, the third multi-annual programme of EU action in the field of health for the period 2014-2020 (Regulation) – GROSSETÊTE report – 2011/0339 (COD)

The Commission approved the line set out in SI(2013) 512/2.

- Markets in financial instruments and amendment of the EMIR Regulation on OTC derivatives, central counterparties and trade repositories (Regulation) / Markets in financial instruments and repeal of Directive 2004/39/EC (Directive – recast) – FERBER reports – 2011/0296 (COD) / 2011/0298 (COD)

The Commission approved the line set out in SI(2013) 504 and /2.

- Protection of the euro and other currencies against counterfeiting by criminal law, and replacement of Council Framework Decision 2000/383/JHA (Directive) – McINTYRE report – 2013/0023 (COD)

The Commission approved the line set out in SI(2013) 502.

- Union action for the European Capitals of Culture for the years 2020 to 2033 (Decision) – SCURRIA report – 2012/0199 (COD)

The Commission approved the line set out in SI(2013) 501.

- Definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products (Regulation) – BARTOLOZZI report – 2011/0231 (COD)

The Commission approved the line set out in SI(2013) 506/2 and /3.

ii) Preparations for October II part-session of Parliament

(point 1.3 of the IRG record)

Ordinary legislative procedure – 1st reading

- Multiannual Financial Framework 2014-2020 – Connecting Europe Facility (Regulation) – AYALA SENDER / RIQUET / VÁLEAN report – 2011/0302 (COD)

The Commission approved the line set out in SP(2013) 643.

- Multiannual Financial Framework 2014-2020 – Union guidelines for the development of the Trans-European Transport Network (Regulation) – KOUMOUTSAKOS report – 2011/0294 (COD)

The Commission approved the line set out in SP(2013) 691 and /2.

- Multiannual Financial Framework 2014-2020 – Establishment of a Programme for the Environment and Climate Action (LIFE) (Regulation) – HAUG report – 2011/0428 (COD)

The Commission approved the line set out in SP(2013) 644 and /2.

- Multiannual Financial Framework 2014-2020 – European Union Programme for Social Change and Innovation (Regulation) – STEINRÜCK report – 2011/0270 (COD)

The Commission approved the line set out in SP(2013) 645 and /3.

- Multiannual Financial Framework 2014-2020 – Cohesion policy – European Social Fund and repeal of Regulation (EC) 1081/2006 (Regulation) – MORIN-CHARTIER report – 2011/0268 (COD)

The Commission approved the line set out in SP(2013) 689.

- Multiannual Financial Framework 2014-2020 – European Maritime and Fisheries Fund (Regulation) – CADEC report – 2011/0380 (COD)

The Commission approved the line set out in SP(2013) 646 and /2.

- Multiannual Financial Framework 2014-2020 – Amendment of Regulation (EC) 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and implementation of such groupings (Regulation) – ZELLER report – 2011/0272 (COD)

The Commission approved the line set out in SP(2013) 647.

- Multiannual Financial Framework 2014-2020 – Implementation and exploitation of European satellite navigation systems (Regulation) – MARINESCU report – 2011/0392 (COD)

The Commission approved the line set out in SP(2013) 648.

- Multiannual Financial Framework 2014-2020 – Action programme for customs in the European Union for the period 2014-2020 and repeal of Decision 624/2007/EC (Regulation) – BALDASSARRE report – 2011/0341a (COD)

The Commission approved the line set out in SP(2013) 649.

- Medical devices, and amendment of Directive 2001/83/EC, Regulation (EC) 178/2002 and Regulation (EC) 1223/2009 (Regulation) – ROTH-BEHRENDT report – 2012/0266 (COD) / In vitro diagnostic medical devices (Regulation) – LIESE report – 2012/0267 (COD)

The Commission approved the line set out in SP(2013) 657 and /2.

- Marine equipment and repeal of Directive 96/98/EC (Directive) – RIQUET report – 2012/0358 (COD)

The Commission approved the line set out in SP(2013) 660 and /2.

- Amendment of Council Regulation (EC) 111/2005 laying down rules for the monitoring of trade between the Community and third countries in drug precursors (Regulation) – PROUST report – 2012/0250 (COD)

The Commission took note of the compromise text in SP(2013) 661, further to note SI(2013) 278, which it had already approved on 29 May.

- Exercise of the Union's rights for the application and enforcement of international trade rules (Regulation) – RINALDI report – 2012/0359 (COD)

The Commission approved the line set out in SP(2013) 662.

- General Union Environment Action Programme to 2020 ‘Living well, within the limits of our planet’ (Decision) – FRANCO report – 2012/0337 (COD)

The Commission took note of the compromise text in SP(2013) 664, further to note SI(2013) 339, which it had already approved on 19 June.

- European statistics on demography (Regulation) – SÓGOR report – 2011/0440 (COD)

The Commission approved the line set out in SP(2013) 665.

- Amendment of Regulation (EC) 273/2004 on drug precursors (Regulation) – HEDH report – 2012/0261 (COD)

The Commission took note of the compromise text in SP(2013) 667, further to note SI(2013) 369, which it had already approved on 26 June.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Programming of Council business

(SI(2013) 514)

The Commission took note of the information in SI(2013) 514 on the Council meetings between 10 and 23 October.

4.3. RELATIONS WITH PARLIAMENT

iv) Action taken on the non-legislative resolutions adopted by Parliament at its June part-session

(point 3.4.1 of the IRG record)

The Commission approved, for transmission to Parliament, documents SP(2013) 626 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its June part-session.

v) Action taken on the non-legislative resolutions adopted by Parliament at its July part-session

(point 3.4.2 of the IRG record)

The Commission approved, for transmission to Parliament, documents SP(2013) 627 and /2 on the action taken on the non-legislative resolutions adopted by Parliament at its July part-session.

4.4. RELATIONS WITH THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE, THE COMMITTEE OF THE REGIONS, THE EUROPEAN OMBUDSMAN AND NATIONAL PARLIAMENTS

vi) Follow-up to Committee of the Regions opinions – Fifty-fourth report – Plenary session of 11 and 12 April 2013

(point 4.4 of the IRG record)

The Commission approved the replies to the opinions adopted by the Committee of the Regions during the plenary session of 11 and 12 April 2013, contained in the document distributed as SR(2013) 25/3, for transmission to that Committee.

vii) Reply of the European Commission to the Contribution of the 49th Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (Dublin, 23-25 June 2013)

(point 4.5 of the IRG record)

The Commission approved document SNP(2013) 7 and /2 containing its reply to the Contribution of the 49th Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC), for transmission to the Presidency of COSAC.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2013) 511 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 30 September and 4 October.

5.2. EMPOWERMENT

(SEC(2013) 512 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 30 September and 4 October.

5.3. DELEGATION AND SUBDELEGATION OF POWERS

(SEC(2013) 513 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 30 September and 4 October, as archived in e-Greffe.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2013) 514)

The Commission took note of the sensitive written procedures for which the time limit expired between 7 and 11 October.

6. ADMINISTRATIVE AND BUDGETARY MATTERS
(SEC(2013) 515)

ADMINISTRATIVE MATTERS
(PERS(2013) 126)

6.1. DG COMMUNICATION – AMENDMENT OF ORGANISATION CHART
(SEC(2013) 533; SEC(2013) 534)

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms REDING, decided:

- to create a function of Principal Adviser for 'Citizen-focused communication and Debate on the Future of Europe';
- to adopt the new organisation chart set out in SEC(2013) 534.

These decisions would take effect on 16 November 2013.

Following the reorganisation, the total number of units at the Communication Directorate-General would remain unchanged.

6.2. DG INFORMATICS / EUROPEAN PERSONNEL SELECTION OFFICE
– AMENDMENT OF ORGANISATION CHARTS
(SEC(2013) 533; SEC(2013) 535; SEC(2013) 536)

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided:

- to move unit EPSO.02 'IT' from the European Personnel Selection Office to the Informatics Directorate-General with the corresponding staff and job quotas and the corresponding budget as agreed between both services and set out in the annex to SEC(2013) 533;

- to include in the 2015 draft budget the corresponding changes to the Commission's establishment plan and the European Personnel Selection Office's establishment plan;
- to adopt the new organisation charts of these departments as set out in SEC(2013) 535 and SEC(2013) 536.

These decisions would take effect on 1 November 2013.

Following the reorganisation, the total number of units at the Informatics Directorate-General would increase from 17 to 18 and the total number of units at the European Personnel Selection Office would decrease from 6 to 5.

**6.3. DG HUMANITARIAN AID AND CIVIL PROTECTION (ECHO) /
DG ENTERPRISE AND INDUSTRY – AMENDMENT OF
ORGANISATION CHARTS
(SEC(2013) 533)**

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, Mr TAJANI and Ms GEORGIEVA, decided:

- to transfer one Adviser quota from the Enterprise and Industry Directorate-General to the Humanitarian Aid and Civil Protection Directorate-General (ECHO) in order to allow the mobility of a jobholder with his function and corresponding budget appropriation; the function of Adviser would be abolished on the departure of the jobholder;
- to increase the Adviser quota of the Humanitarian Aid and Civil Protection Directorate-General (ECHO) by one temporary Adviser function and subsequently to transfer an official from the Competition Directorate-General to this function, with the corresponding budget appropriation; the Adviser quota would be reduced on the departure of the jobholder.

These decisions would take effect on 1 November 2013.

Following the reorganisation, the total Adviser quota of the Humanitarian Aid and Civil Protection Directorate-General (ECHO) would increase from 3 to 5 and the total Adviser quota of the Enterprise and Industry Directorate-General would decrease from 13 to 12.

**6.4. DG JUSTICE – AMENDMENT OF THE ORGANISATION CHART
(SEC(2013) 533; SEC(2013) 537)**

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Ms REDING, decided:

- to create a function of Principal Adviser for 'Strategies for the development of justice policies';
- to increase the Adviser quota of the Justice Directorate-General by one temporary Adviser function which would be abolished on the departure of the jobholder;
- to adopt the new organisation chart set out in SEC(2013) 537.

These decisions would take effect on 1 January 2014.

Following the reorganisation, the total number of units at the Justice Directorate-General would remain unchanged and the total Adviser quota would increase from 1 to 2.

**6.5. LEGAL SERVICE – AMENDMENT OF ORGANISATION CHART AND
INTERNAL AND INTERINSTITUTIONAL (AD15/16) AND EXTERNAL
(AD15 – EU-28) PUBLICATION OF THE VACANCY NOTICE FOR AN
AD15/16 DEPUTY DIRECTOR-GENERAL POST
(SEC(2013) 533; PERS(2013) 127)**

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT, decided:

- to create a function of Deputy Director-General;
- to authorise, under Article 29(1)(a)(i) and (iii), 29(1)(b) and 29(2) of the Staff Regulations, the internal and interinstitutional (at AD15/16) and external (AD15 – EU-28) publication of the vacancy notice set out in PERS(2013) 127 for the function of Deputy Director-General of the Legal Service.

These decisions would take effect immediately.

6.6. EUROPEAN ANTI-FRAUD OFFICE – AMENDMENT OF ORGANISATION CHART
(SEC(2013) 533; SEC(2013) 538)

The Commission took note of the information in SEC(2013) 533 and, on a proposal from Mr ŠEFČOVIČ, in agreement with the PRESIDENT and Mr ŠEMETA, decided:

- to create a function of Principal Adviser;
- to disband Directorate R 'Resources';
- to adopt the new organisation chart set out in SEC(2013) 538.

These decisions would take effect on 1 January 2014.

Following the reorganisation, the total number of units at the European Anti-fraud Office would remain unchanged.

7. ORIENTATION DEBATE ON STATE AID AND ENERGY, CLIMATE AND ENVIRONMENT POLICIES
(SEC(2013) 524; SEC(2013) 525 AND ANNEXES THERETO; RCC(2013) 126)

The PRESIDENT introduced the policy debate which the Commission was invited to hold on ensuring coherence between state aid guidelines and EU energy and

climate policy. The task for the Commission Members was to contribute to the smooth preparation of the draft guidelines before they were submitted by Mr ALMUNIA to the Member States and stakeholders for consultation. The guidelines would not be adopted by the Commission until spring 2014.

He began by raising the key issue at the heart of the draft guidelines, namely how to phase out state aid for increasingly competitive renewable energies to avoid distortions of competition and a proliferation of rules within the internal market without jeopardising the achievement of the EU's overall target of a 20% share of renewable energies in its energy mix by 2020. He explained that the real difficulty lay in avoiding the over-rapid introduction of market instruments, since this could be detrimental to the viability of the long-term investments of the Member States and of the private sector in renewable energies, as well as to new investments in renewable energies that had not yet achieved economic maturity, such as offshore wind farms or the new bio-fuels.

Presented in these terms, the debate should result in the right balance between helping to achieve the fundamental, and intangible, target of 20% of renewable energies decided on by the EU for 2020, on the one hand, and the need to reinforce the coherence and financial viability of the aid schemes granted by the Member States, on the other.

He wound up his introduction by referring to the five main elements of the policy debate set out in the background note circulated under his authority, on which he invited the Commission Members to state their position. These were (i) subsidies for energies from renewable sources, (ii) nuclear energy, (iii) energy infrastructure, (iv) aid mechanisms to adjust production capacities, and lastly (v) support for energy intensive industries.

Mr ALMUNIA pointed out that that day's debate marked a significant political stage in the drawing up of state aid guidelines that should contribute to achieving energy and climate policy targets for 2014-2020. He therefore proposed that the draft should include energy issues as a result of the revision of the current guidelines, which had hitherto been limited to environmental subsidies. He added that this

revision provided an opportunity to set a framework to mitigate the distortions of competition linked to the measures adopted nationally and to integrate European targets in this framework, particularly as regards renewable energies. The Commission needed to arrive at a balanced approach between the different aspects to be considered, as set out in the background note distributed under the PRESIDENT's authority, and to assess the political advisability of taking forward certain points in these guidelines.

With regard to support for renewable energies, Mr ALMUNIA stressed that the main objective of the revision was to ensure that the aid granted by Member States to achieve the target of a 20% share of renewable energy in the European energy mix by 2020 did not hinder competition within a Member State or between Member States, and did not lead to overcompensation. He pointed out the widely divergent situations in different Member States and in the stages of development of renewable energies.

Turning to the question of energy infrastructure, he highlighted the shortcomings in the market – arising in particular from a lack of interconnection – and the challenges to be met using financing instruments. He proposed that the guidelines should from now on include evaluation criteria applicable to aid for energy infrastructure, to facilitate investment in such infrastructure.

As regards subsidies for mechanisms to support electricity generation capacity in the face of supply shortages, it was up to the Commission to decide whether or not criteria for the compatibility of such aid should be included in the future guidelines, bearing in mind that their inclusion would allow clear rules to be set in order to mitigate distortion effects.

On the issue of energy-intensive industries and their exemption from the financing of support schemes for renewable energies, he asked the Commissioners to give their political assessment of whether it was necessary to lay down specific criteria, together with a clear statement that these applied only to industries that were genuinely exposed to international competition.

Mr ALMUNIA ended with the observation that, on the question of nuclear energy, the policy debate revolved around whether or not the new guidelines should include criteria for assessing the compatibility of state aid for nuclear power generation. If aid of this kind were not covered by the guidelines, it would be assessed directly on a case-by-case basis under the relevant Treaty rules.

Mr OETTINGER stressed the need for progress in completing the internal energy market in order to resolve the problem of fragmentation, boost investment in infrastructure by providing more predictability, guarantee security of supply and keep energy prices within reasonable limits for both consumers and industry, without losing sight of the importance of protecting the environment. He, too, stressed that the situation varied widely between countries and noted with regret a tendency to 'renationalise' energy policy, with Member States giving increasing consideration to the introduction of direct or indirect subsidies. He referred to the guidance on public interventions in the field of energy to be presented by the Commission in the near future. He felt that the Commission should place much greater emphasis on the economic and strategic benefits of taking action at European level.

He also argued against making any hasty change to the rules on state aid for renewable energies which needed such support in order to reach maturity, so as not to undermine investors' confidence.

Moreover, he saw no justification for each Member State to introduce its own capacity mechanisms in order to ensure security of supply by making increased use of renewable energies. This would limit cross-border trade in electricity and prompt neighbouring Member States to set up their own substitution systems. He called for the introduction of a European strategy for the 28 Member States.

On the question of nuclear energy, Mr OETTINGER pointed out that, under Article 194 of the Treaty on the Functioning of the European Union, the Member States were free to determine their own energy mix. Given the limited experience in this field, he felt it was appropriate for each authorisation of state aid for nuclear power to be examined individually.

Lastly, with regard to energy-intensive industries, he considered that particular importance should be given to the competitiveness of European industry.

In the course of the ensuing debate, the Commissioners referred to their broad support for the objectives pursued by the review of the guidelines in question; the need to establish predictable guidelines for the support of renewables; the need for a gradual transition to market mechanisms; the opinion of the majority of Members of the Commission that at this stage it was important not to opt for the principle of technological neutrality in order to take account of the specific features of the different sources of energy; approval for the principle of including subsidies for energy infrastructure in the guidelines; support for setting up capacity mechanisms, but a note of caution against the indirect introduction of new subsidy schemes for the use of fossil fuels; for the majority of the Members of the Commission, recognition that including nuclear power in the guidelines would be badly received and might have an adverse impact on the attainment of the review's other objectives, hence the advisability of maintaining the status quo; the case for authorising state aid for energy-intensive industries to relieve them of the burden of financing renewable energy, thereby enhancing their international competitiveness.

Mr ALMUNIA noted a consensus on the need to move towards a renewable energy support scheme that was geared more to market mechanisms, and to lay down criteria for assessing aid to finance energy infrastructure and capacity mechanisms. In relation to infrastructure, state aid was needed to fill the gaps in the market. As regards capacity mechanisms, in an ideal world comprehensive interconnection would remove all need for such mechanisms, but given the current state of the internal energy market, uniform conditions needed to be established to support them, provided that the need for such mechanisms had been clearly demonstrated, with due regard to the objective of reducing the use of fossil fuels. With regard to energy-intensive industries, he considered that aid should be allowed only for sectors particularly exposed to energy costs and that it should be limited in time and reduced over time. Lastly, in relation to nuclear power, he emphasised the advantages of including it in the guidelines (namely, predictability and transparency), but agreed with most of the Commission Members that it should be

excluded from this exercise for the moment.

Adding to these conclusions, Mr OETTINGER said that, at the end of the month, his department would publish a full list of energy infrastructure which was of cross-border importance to several Member States and would be the subject of projects of common interest. He ended by saying that the Union must do everything in its power to benefit from more competitive energy prices in relation to its international competitors, in particular the United States. Among the means that might be used to this end, he mentioned the granting of aid to energy-intensive industries until they were on an equal footing with their international competitors.

The PRESIDENT ended the policy debate by noting the broad consensus on the approaches presented by Mr ALMUNIA and Mr OETTINGER in relation to reforming intervention by the authorities and their use of state aid in energy policy.

He raised the twofold problem posed by the introduction of a common energy policy, given the need to comply with the principle of subsidiarity, in particular in relation to the choice of energy mix, and the need for an ambitious common climate policy, especially in a time of crisis. He hoped, therefore, that the Commission would take care to explain properly the measures presented in these guidelines when it proposed a framework for energy and climate policies up to 2030, as the whole exercise would send out a clear signal about the direction the Union wanted to take in this respect in the long term.

He also noted that the Commission had agreed on the idea of embarking, between now and 2020, on a transition towards more market-based instruments, at a reasonable pace, which required precise fine-tuning to avoid any damaging implications for past or future investments.

Given the differences of opinion on the case for including nuclear energy in the draft guidelines, he suggested keeping to current practice whereby the Commission would continue to examine, in line with the Treaties and on a case-by-case basis, the state aid given to new nuclear facilities that was notified to it by Member States.

Given the agreement of the Commission Members, the PRESIDENT asked

Mr ALMUNIA and Mr OETTINGER to work closely with the other Members concerned to ensure that the main objectives agreed were faithfully reflected in the future guidelines and to strike the right balance between the need to move closer to market conditions and the need for predictability for investments, which would make it possible to achieve the Union's political objectives.

The Commission took note of the outcome and conclusions of the policy debate, and of the background notes disseminated under the aegis of the PRESIDENT and Mr ALMUNIA in SEC(2013) 524, and in SEC(2013) 525 and the annexes thereto.

The Commission's other discussions on this item are recorded in the special minutes.

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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 15.27.