



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2017) 2210 final

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

Strasbourg, 16 May 2017

TEXTE EN

MINUTES

of the 2210th meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 3 May 2017

(morning)

—

PV(2017) 2210 final

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

EN

TABLE OF CONTENTS

Attendance list	4-6
1. AGENDAS (OJ(2017) 2210/FINAL; SEC(2017) 205/FINAL)	7
2. WEEKLY MEETING OF CHEFS DE CABINET (RCC(2017) 2210).....	7
3. APPROVAL OF THE MINUTES OF THE 2208 TH AND 2209 TH COMMISSION MEETINGS (12 AND 26 APRIL) (PV(2017) 2208).....	7
4. INTERINSTITUTIONAL RELATIONS (RCC(2017) 43)	7
4.1. LEGISLATIVE MATTERS	8
4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL.....	9
4.3. RELATIONS WITH PARLIAMENT	9
5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS.....	10
5.1. WRITTEN PROCEDURES APPROVED (SEC(2017) 206 ET SEQ.).....	10
5.2. EMPOWERMENT (SEC(2017) 207 ET SEQ.).....	10
5.3. DELEGATION / SUBDELEGATION OF POWERS (SEC(2017) 208 ET SEQ.).....	10
5.4. SENSITIVE WRITTEN PROCEDURES (SEC(2017) 209 AND /2).....	11
6. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2017) 210).....	11
6.1. DG BUDGET / DG HUMAN RESOURCES AND SECURITY – COMPLEMENTARY ALLOCATION OF ESTABLISHMENT PLAN POSTS FOR 2017 (SEC(2017) 230).....	11
6.2. EUROPEAN POLITICAL STRATEGY CENTRE – APPOINTMENT OF AD15 DEPUTY HEAD.....	11

7. RECOMMENDATION FOR A COUNCIL DECISION AUTHORISING THE COMMISSION TO OPEN NEGOTIATIONS ON AN AGREEMENT WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND SETTING OUT THE ARRANGEMENTS FOR ITS WITHDRAWAL FROM THE EUROPEAN UNION (COM(2017) 218).....	12
8. EXCHANGE OF VIEWS TO PREPARE, AS A FOLLOW-UP TO THE WHITE PAPER ON THE FUTURE OF EUROPE, A REFLECTION PAPER ON HARNESSING GLOBALISATION	19

Single sitting: Wednesday 3 May 2017 (morning)

The sitting opened at 9.11 with Mr JUNCKER, President, in the chair.

Present:

Mr JUNCKER	President	
Mr TIMMERMANS	First Vice-President	
Ms MOGHERINI	High Representative / Vice-President	
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	
Mr OETTINGER	Member	
Mr HAHN	Member	
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSSEN	Member	Items 7 (in part) and 8
Mr MOSCOVICI	Member	Items 7 (in part) and 8
Mr STYLIANIDES	Member	
Ms BULC	Member	
Ms BIENKOWSKA	Member	
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	
Ms VESTAGER	Member	
Sir Julian KING	Member	

Absent:

Mr HOGAN

Member

Mr MOEDAS

Member

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

Mr POWER	Chef de cabinet to Mr HOGAN	Items 1 to 7
Ms DEL BRENNNA	Deputy Chef de cabinet to Mr MOEDAS	Items 1 to 7

The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PESONEN	Director-General, DG Communication	Items 1 to 7
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Ms METTLER	Head of the European Political Strategy Centre	Items 1 to 7
Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	
Mr SZOSTAK	Adviser in the PRESIDENT's Office	Items 1 to 7
Ms SILLAVEE	PRESIDENT's Office	Items 1 to 7
Mr BARNIER	Chief negotiator and Head of the Article 50 Task Force	Items 1 to 7
Ms ANDREEVA	Commission Spokesperson's Service	Items 1 to 7

Secretary: Mr ITALIANER, Secretary-General, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General, for items 1 to 7, and Mr TAQUET-GRAZIANI, administrator in the Secretariat-General, for item 8.

1. AGENDAS

(OJ(2017) 2210/FINAL; SEC(2017) 205/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(2017) 2210)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Tuesday 2 May.

3. APPROVAL OF THE MINUTES OF THE 2208TH AND 2209TH COMMISSION MEETINGS (12 AND 26 APRIL)

(PV(2017) 2208)

The Commission approved the minutes of its 2208th meeting and decided to hold over approval of the minutes of its 2209th meeting for the following week.

4. INTERINSTITUTIONAL RELATIONS

(RCC(2017) 43)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 28 April (RCC(2017) 43).

It paid particular attention to the following points.

4.1. LEGISLATIVE MATTERS

i) Trilogues

(point 3.1 of the IRG record)

- European Fund for Sustainable Development (EFSD) and establishing the EFSD Guarantee and the EFSD Guarantee Fund (Regulation) – FRUNZULICĂ / GARDIAZABAL RUBIAL / KUKAN report – 2016/0281 (COD)

The Commission approved the line set out in SI(2017) 167/2.

- Amendment of Regulation (EU) 1303/2013 as regards specific measures to provide additional assistance to Member States affected by natural disasters (Regulation) – MIHAYLOVA report – 2016/0384 (COD)

The Commission approved the line set out in SI(2017) 169.

- Amendment of Council Regulation (EC) 1683/1995 of 29 May 1995 laying down a uniform format for visas (Regulation) – KAUFMANN report – 2015/0134 (COD)

The Commission approved the line set out in SI(2017) 172.

ii) Council dossiers

(point 3.3 of the IRG record)

- Amendment of Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Community and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Community (Regulation) – CICU report – 2016/0351 (COD)

The Commission approved the line set out in SI(2017) 166/2.

- Amendment of Regulation (EC) 883/2004 on the coordination of social security systems and Regulation (EC) 987/2009 laying down the procedure for implementing Regulation (EC) 883/2004 (Regulation) – BALAS report – 2016/0397 (COD)

The Commission approved the line set out in SI(2017) 170.

4.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

iii) Programming of Council business

(SI(2017) 177)

The Commission took note of the information in SI(2017) 177 on the Council meetings between 4 and 17 May.

4.3. RELATIONS WITH PARLIAMENT

iv) Non-legislative dossier

(point 5.1 of the IRG record)

- European Parliament's Committee of Inquiry into 'Money Laundering, Tax Avoidance and Tax Evasion (PANA) – Preparation for the hearing of Mr MOSCOVICI, 4 May 2017

The Commission took note of SP(2017) 286.

v) Action to be taken on Parliament's legislative resolutions and other resolutions of a legal nature

(SP(2017) 281)

The Commission decided to empower the Commission Members responsible for the sectors in question, in agreement with the PRESIDENT and Mr TIMMERMANS and, if necessary, with the other Members concerned, to adopt the amended proposals for transmission to Parliament and the Council,

as set out in SP(2017) 281, drawn up following the part-session of Parliament of 26 and 27 April, the contents of which were noted.

vi) Results of the April II part-session of Parliament

(SP(2017) 274)

The Commission took note of the information on Parliament's part-session held on 26 and 27 April in Brussels, set out in SP(2017) 274.

5. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

5.1. WRITTEN PROCEDURES APPROVED

(SEC(2017) 206 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 24 and 30 April.

5.2. EMPOWERMENT

(SEC(2017) 207 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 24 and 28 April.

5.3. DELEGATION / SUBDELEGATION OF POWERS

(SEC(2017) 208 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 24 and 28 April, as archived in Decide.

5.4. SENSITIVE WRITTEN PROCEDURES

(SEC(2017) 209 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 2 and 5 May and of the ‘finalisation’ written procedures initiated following the weekly meetings of Chefs de cabinet on 24 April and 2 May.

6. ADMINISTRATIVE AND BUDGETARY MATTERS

(SEC(2017) 210)

ADMINISTRATIVE MATTERS

(PERS(2017) 74)

**6.1. DG BUDGET / DG HUMAN RESOURCES AND SECURITY –
COMPLEMENTARY ALLOCATION OF ESTABLISHMENT PLAN
POSTS FOR 2017**

(SEC(2017) 230)

The Commission approved the communication set out in SEC(2017) 230.

**6.2. EUROPEAN POLITICAL STRATEGY CENTRE – APPOINTMENT OF
AD15 DEPUTY HEAD**

The Commission took note of the PRESIDENT's decision to appoint Mr Mihnea MOTOC to the post of Deputy Head of the European Political Strategy Centre at grade AD15.

This decision would take effect on 16 May 2017.

7. RECOMMENDATION FOR A COUNCIL DECISION AUTHORISING THE COMMISSION TO OPEN NEGOTIATIONS ON AN AGREEMENT WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND SETTING OUT THE ARRANGEMENTS FOR ITS WITHDRAWAL FROM THE EUROPEAN UNION (COM(2017) 218)

The PRESIDENT welcomed Mr BARNIER, chief negotiator, whom he had invited to the meeting of the Commission in order to present the key aspects of the recommendation for a Council Decision authorising the Commission to open negotiations, which was submitted to the College for adoption, and to inform the Members of the state of play of the work on the procedure for the withdrawal of the United Kingdom from the EU in accordance with Article 50 of the Treaty on European Union.

Mr BARNIER thanked the PRESIDENT for inviting him to report to the College on the developments in the process triggered by the United Kingdom's notification under Article 50 of the Treaty on European Union on 29 March.

The European Council had adopted guidelines on Saturday 29 April and had thereby approved the principles and political objectives set by the 27 Member States as part of negotiations with the United Kingdom, as well as their 'red lines'. These guidelines set out two phases in the negotiation, namely (i) organising the orderly withdrawal of the United Kingdom, which must in particular settle the issues of citizens' rights, the financial settlement and the EU's new external borders, and (ii) once it had been established by the European Council, on the basis of a Commission recommendation, that sufficient progress had been made on the principles of the first phase, opening discussions on the outline of future relations between the EU and the United Kingdom, and of possible transitional arrangement. The recommendation for negotiating directives, submitted that day to the College for adoption, constituted a detailed translation of these guidelines for the first phase

in the negotiations.

Mr BARNIER explained that the European Council's guidelines and the directives for negotiations therefore marked the starting point for the future negotiations. He referred to the content of the directives, stressing the two main subjects of the first phase, namely citizens' rights and the settlement of financial issues.

On citizens' rights, first of all, he stated that providing more than four million Europeans living in the United Kingdom or British citizens living in the territory of the 27 Member States the legal assurance of being able to continue living there as they were doing now and to retain the rights resulting from that situation throughout their lives was an absolute priority.

In concrete terms, he explained that the Union intended to protect not only Europeans living or working today in the United Kingdom, but also people who had lived or worked there in the past and those who would be living or working there before the date of exit of the United Kingdom, as well as their family members. As regards the rights that must be protected, he mentioned the right of residence, but also rights relating to (i) access to the labour market, (ii) access to education, (iii) access to health care, and (iv) recognition of diplomas and qualifications. He added that these rights should be guaranteed on the basis of European law by the Court of Justice of the European Union.

As regards the financial settlement, the European Council had wanted it to be a single settlement, and, consequently, to cover all the financial relations between the EU and the United Kingdom, including those relating to the European Investment Bank, the European Central Bank, the European Development Fund, or the Facility for Refugees in Turkey. He added that, in line with the European Council guidelines, the recommendation made it possible to cover the whole of the current multiannual financial framework, i.e. from 2014 to 2020.

Mr BARNIER considered that this issue would doubtless be one of the most

difficult in the negotiation. However, should there be no agreement on this point, he believed that the risk of failing to reach an agreement on an orderly withdrawal of the United Kingdom would become real, since none of the 27 Member States wished to contribute more to the current multiannual financial framework or receive less in projects financed under the framework. It was therefore necessary, during the first phase of negotiations, to agree with the United Kingdom on a clear method for calculating its obligations.

Mr BARNIER then referred to several other subjects covered by the recommendation, including goods in transit, and ongoing administrative and law enforcement procedures, but also the issue of governance of the agreement. On this last point, he noted that wherever EU law was concerned, effective implementation and dispute settlement mechanisms, which must rely on the Court of Justice of the European Union, must be set up. Otherwise the rights established by the agreement, in particular for citizens, would be no more than an illusory promise.

According to the phased approach set out by the European Council in its guidelines, everything which related to the future relationship between the EU and the United Kingdom, and to transitional arrangements, i.e. the second phase of the negotiations, would be the subject of a new recommendation, but only once the European Council considered, on the basis of a Commission recommendation, that ‘sufficient progress’ had been achieved under the first phase.

In terms of organisation, Mr BARNIER specified that the negotiations *per se* would start as soon as the negotiating mandate was adopted by the Council – which was expected on 22 May – but since a general election had been called for 8 June in the United Kingdom, they would not in fact be launched before mid-June.

With regard to the timetable for the negotiations, he envisaged (i) agreement on the principles of an orderly withdrawal – citizens’ rights, settlement of financial issues and the border issue – between October and December 2017, (ii) the possible launch of the second phase of the negotiations, which would define the framework for

future relations between the EU and the United Kingdom and the transitional arrangements, between December 2017 and spring 2018, and (iii) finalisation of the agreement under Article 50 of the Treaty on European Union around October 2018, which would then allow (iv) six months, until March 2019, to complete the ratification process.

He hoped to propose to the British negotiators that the negotiations be organised in four-week cycles. For the Union, each round would consist of (i) a first week of preparation of the work by the 27, with the European Parliament, (ii) a second week to exchange documents with the UK, (iii) a third week to negotiate, (iv) a fourth week to report on the results to the 27 Member States and to the European Parliament and prepare a new round of negotiations.

As far as the Commission's internal work was concerned, Mr BARNIER emphasised the assistance from the departments that he and his team would need in the coming negotiations. He would be meeting the directors-general the following day to present the planned organisation to them and ask them for their active support. He explained that throughout the negotiating week, thematic negotiation groups would be set up under his supervision. There would probably be five of these in the first phase of negotiations and the Commission's departments would participate in them in each of the areas concerned. He took the opportunity to thank the Members of the Commission for the help they had already given him since he took up his duties.

Mr BARNIER wound up his presentation by stressing that the negotiations on the UK's withdrawal from the Union would be exceptional and were likely to remain unique. They raised concerns in public opinion, the business world and civil society all over Europe. He hoped that the Union would respond with a transparent approach. For this reason, the recommendation that, once adopted, the Commission was preparing that day to address to the Council would be made public. He considered that the Commission had nothing to hide regarding the positions it was

defending, and that it was in the interests and integrity of the European Union to make them public.

The PRESIDENT referred to the phased negotiating approach envisaged. He said it was important to allay possible misunderstandings and to make it clear that the Union wished first to conclude the discussions on how to settle the past and only then, if sufficient progress had been made, to move on to the second phase of the negotiations. He noted that on the UK side, the government was trying to gain credence for the idea that if agreement were not reached on all the negotiating points, including those in the second phase, there would be no overall agreement on its orderly withdrawal. He also expressed concerns about the ambition of the timetable referred to, since he considered that some of the matters to be negotiated in the first phase would take time.

Mr BARNIER confirmed that for the Union, the phased approach was a key element to guiding the progress of the discussions and moving on from settling the past to seeking solutions for the future by creating a sound basis of trust between the two parties. In his view, combining these two elements, as the UK seemed to want to do, risked jeopardising the negotiations.

With regard to the terms of the ‘divorce’, he did not underestimate the difficulty of reaching agreement on the principles in October or November 2017. However, he stressed that once this agreement had been achieved, the EU Member States wished to close this part of the negotiations once for all without going back to it. From 2018, bilateral negotiating groups would study the technical arrangements of the dossiers in the light of the principles agreed on. As regards settlement of the financial questions, the challenge was to reach agreement on the methodology, i.e. the question of whether this settlement would concern all the UK’s commitments under the 2014-2020 multiannual financial framework, as the 27 Member States wished.

The PRESIDENT returned to the question of the implications of these issues on the

mid-term review of the 2014-2020 multiannual financial framework and on the reallocation of the EU financing, taking into account also the UK's current blocking position with regard to the Commission's proposal. He also called for the agreement on the principles of the divorce, expected to be reached between October and December 2017, to be as precise as possible.

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

- support for the structured approach presented by Mr BARNIER, for the transparency of the process, which would enable citizens to understand what the Union did, and for the communication put in place to explain the future negotiations on the UK's orderly withdrawal from the Union in simple rather than technical terms;
- the need to integrate in the parameters for the future negotiations the growing support in British public opinion for the idea of a disorderly exit of the UK from the Union;
- the implications of the delay in the adoption of the mid-term revision of the multiannual financial framework in force, owing to the blocking by the UK, with a view to the 2018 draft budget to be submitted by the Commission at the end of this month;
- the financial commitments that the UK must meet beyond 2020 under the 2014-2020 multiannual financial framework; in parallel, a reminder of the major projects financed by the Union in the UK;
- the importance of ensuring that these negotiations created the conditions for future fair and equal competition between the parties, for example in fiscal or regulatory matters;

- the hope that the ‘PEACE’ programme would be maintained in Northern Ireland and the border region of Ireland;
- the issue of the transfer in the Union of the two agencies currently based in London, and the timetable envisaged.

The PRESIDENT replied to some of these comments. With regard to the transfer of the EU agencies and facilities located in the UK, he explained that he had been asked, with the President of the European Council, Donald Tusk, to present a proposal in June on the criteria for the transfer of these agencies, a process which would finish at the end of the year. A large number of Member States had offered to relocate these agencies in their territories, and the decision would be taken by the Council.

He had concerns about the methodology applicable to the settlement of the financial questions to enable the European Council to assess whether ‘sufficient progress’ had been made, in the absence of a cost calculation. He emphasised that the question of costing also responded to the expectations of the public and of the national parliaments in particular.

Mr BARNIER acknowledged that the whole issue would have to be decided in October or November 2017, if sufficient progress were made on the discussions in the first phase on the principles of withdrawal. He considered that this task would be complex with regard both to citizens’ rights and individual situations. As regards the financial settlement, in his view it would be more difficult to agree on the principles, but once these had been decided, the cost calculation would not be very complicated. However, certain matters that would decide these points would still be uncertain, in particular the date of the UK’s effective withdrawal from the Union.

In conclusion, he hoped that after the British legislative elections the UK’s internal political climate would be more conducive to reaching agreement. He also pointed out that he would be negotiating as the Union's sole representative with the British

government, to the exclusion of any other formation or institution. He hoped that these exceptional negotiations would serve as an example and highlight the benefits that Europe provided to its Member States and its citizens.

The PRESIDENT thanked Mr BARNIER warmly for his presentation and explanations.

The Commission adopted the recommendation for a Council decision in the document distributed as COM(2017) 218, for transmission to the Council and, for information, to the national parliaments.

8. EXCHANGE OF VIEWS TO PREPARE, AS A FOLLOW-UP TO THE WHITE PAPER ON THE FUTURE OF EUROPE, A REFLECTION PAPER ON HARNESSING GLOBALISATION

The PRESIDENT invited the Members of the Commission to take part in an open and in-depth exchange of views with a view to drafting a reflection paper on harnessing globalisation. This reflection paper was one of a series of five and followed on from the White Paper on the future of Europe adopted by the College on 1 March with a view to launching a wide-ranging citizens' debate and initiating a process at the end of which the 27 Member States would decide on the future of their Union. The first important step had been taken in Rome on 25 March with the declaration by the leaders of the 27 Member States, and of the European Council, the European Parliament and the European Commission. He pointed out that the first of these reflection papers, on the social dimension of Europe, had already been approved on 26 April; the third, on the deepening of the Economic and Monetary Union, would be approved on 31 May; the fourth and fifth would concern the future of defence in Europe and the future of the Union's finances, respectively.

Returning to the report that was being discussed that day, Mr TIMMERMANS and

Mr KATAINEN presented the framework for the discussion, explaining that the initial aim was to carry out an objective evaluation of globalisation by pointing out the advantages it had brought to the Union and the rest of the world whilst recognising the legitimate concerns of citizens regarding its disadvantages. It would then be necessary to identify the various means available to the Union and the Member States within the framework of their external action and internal policies, to shape globalisation to the maximum benefit of citizens.

During the exchange of views, the Members of the Commission stressed the need for a better understanding of the phenomenon of globalisation. To this end, they recommended using objective data and simultaneously taking account of the feelings provoked by globalisation since, although they were by nature subjective, such feelings influenced the public debate in the Member States and explained the appeal of populist parties. In this context, they considered that the Union's primary role was to provide the tools and use its influence to make it possible not only to harness the effects of globalisation but also to direct its development to bring about fairer sharing of the opportunities it offered. Finally, they emphasised the importance of establishing a close link with the Union's action in the social field and support for structural reforms in order to provide real support to the regions and businesses suffering the negative effects of globalisation.

The PRESIDENT invited Mr TIMMERMANS and Mr KATAINEN to draw the main conclusions from this exchange of views. They therefore concluded by stating that they would take into consideration in the reflection document to be submitted to the College on 10 May the desire expressed to set out a common Union position and a proactive approach regarding globalisation, which would first and foremost make it possible to shape the development of globalisation using measures at the national, European and international level. They also pointed out that the reflection document would emphasise the priority to be given to means of making European societies more adaptable to change and more resilient, in order to reduce the negative aspects of globalisation and reap its rewards in full.

The Commission took note of the results of this exchange of views.

*

* *

The meeting closed at 11.30.