



EUROPEAN COMMISSION

SECRETARIAT-GENERAL

**PV(2017) 2220 final**

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

Brussels, 6 September 2017

# TEXTE EN

## MINUTES

of the 2220<sup>th</sup> meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 12 July 2017

(morning)

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**PV(2017) 2220 final**

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

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**Single sitting: Wednesday 12 July 2017 (morning)**

The sitting opened at 10.14 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 DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	Items 1 to 9 (in part)
Mr OETTINGER	Member	
Ms MALMSTRÖM	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	
Ms THYSSEN	Member	
Mr MOSCOVICI	Member	
Mr STYLIANIDES	Member	
Mr HOGAN	Member	
Ms BIEŃKOWSKA	Member	Items 1 to 9 (in part)
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	
Ms VESTAGER	Member	
Mr MOEDAS	Member	
Sir Julian KING	Member	
Ms GABRIEL	Member	

Absent:

Mr ŠEFČOVIČ

Vice-President

Mr HAHN

Member

Ms BULC

Member

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

Mr MÜLLER	A member of Mr HAHN's staff	Items 10 and 11
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The following also sat in:

Mr SELMAYR	Chef de cabinet to the PRESIDENT	
Ms BANKS	Deputy Director-General, Legal Service	
Mr PESONEN	Director-General, DG Communication	Items 10 and 11
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	Items 1 to 11 (in part)
Ms ANDREEVA	Commission Spokesperson's Service	Items 10 and 11
Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	
Mr SZOSTAK	Adviser in the PRESIDENT's Office	Items 1 to 9
Ms DEJMEK-HACK	Adviser in the PRESIDENT's Office	Items 1 to 11 (in part)
Mr DELVAUX	Adviser in the PRESIDENT's Office	Item 11
Ms SILLAVEE	PRESIDENT's Office	Items 10 and 11
Ms MADSEN	Deputy Chef de cabinet to Mr KATAINEN	Items 10 and 11
Mr BURGSMÜLLER	A member of Ms MALMSTRÖM's staff	Item 11
Mr COMPTOUR	Adviser in Ms BIENKOWSKA's office	Items 10 and 11
Mr BARNIER	Chief negotiator and Head of the Article 50 Task Force	Item 9

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

**1. AGENDAS**

**(OJ(2017) 2220/FINAL; SEC(2017) 329/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) 2220)**

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 10 July.

**3. APPROVAL OF THE MINUTES OF THE 2212<sup>TH</sup> MEETING OF THE COMMISSION (16 MAY), THE MINUTES AND SPECIAL MINUTES OF THE 2218<sup>TH</sup> MEETING OF THE COMMISSION (28 JUNE), AND THE MINUTES OF THE 2219<sup>TH</sup> MEETING OF THE COMMISSION (4 JULY)**

**(PV(2017) 2218 AND /2; PV(2017) 2218, 2<sup>ND</sup> PART)**

The Commission held over approval of the minutes of its 2212<sup>th</sup>, 2218<sup>th</sup> and 2219<sup>th</sup> meetings for a later meeting.

#### **4. INTERINSTITUTIONAL RELATIONS**

**(RCC(2017) 90; RCC(2017) 95)**

The Commission took note of the record of the meeting (RCC(2017) 90) and the record of the special meeting (RCC(2017) 95) of the Interinstitutional Relations Group (IRG) held on Friday 7 July and Tuesday 11 July respectively.

It paid particular attention to the following points.

##### **4.1. HORIZONTAL ITEM**

- i) Negotiations on an agreement with the United Kingdom setting out the arrangements for its withdrawal from the European Union pursuant to Article 50 of the Treaty on the European Union – Position Papers on Essential Principles on Goods placed on the Market under Union Law before the Withdrawal Date / Ongoing Judicial Cooperation in Civil and Commercial Matters / Ongoing Police and Judicial Cooperation in Criminal Matters (revised documents)**

The Commission took note of the information in SI(2017) 362, and authorised the Article 50 Task Force to send to the 27 Member States the revised versions of the three ‘Essential Principles’ documents in question.

##### **4.2. LEGISLATIVE MATTERS**

- ii) Trilogue**  
(point 3.1 of the IRG record)
  - Amendment of Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports



from countries not members of the European Union (Regulation) – CICU report – 2016/0351 (COD)

The Commission approved the line set out in SI(2017) 353.

**iii) Council dossiers**

(point 3.3 of the IRG record)

- Establishment of an Entry/Exit System (EES) to register entry and exit data and refusal of entry data of third-country nationals crossing the external borders of the Member States of the European Union, determining the conditions for access to the EES for law-enforcement purposes, and amendment of Regulation (EC) 767/2008 and Regulation (EU) 1077/2011 (Regulation) / Amendment of Regulation (EU) 2016/399 as regards the use of the Entry/Exit System (Regulation) – DÍAZ DE MERA GARCÍA CONSUEGRA reports – 2016/0106 (COD) / 2016/0105 (COD)

The Commission approved the line set out in SI(2017) 355 (see also item 11.4 of these minutes).

- Amendment of Directive 2004/37/EC on the protection of workers from the risks related to exposure to carcinogens or mutagens at work (Directive) – ULVSKOG report – 2016/0130 (COD)

The Commission approved the line set out in SI(2017) 360.

- Position to be taken by the Union at the sixth session of the Meeting of the Parties to the Aarhus Convention regarding compliance case ACCC/C/2008/32 (Council Decision) – 2017/0151 (NLE)

The Commission noted that the matter that formed the subject of SI(2017) 357 would be put before it again at its next meeting, following the

Interinstitutional Relations Group meeting of 14 July and the meeting of Chefs de cabinet on 17 July.

#### **4.3. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL**

##### **iv) Programming of Council business**

(SI(2017) 356)

The Commission took note of the information in SI(2017) 356 on the Council meetings between 13 and 26 July.

#### **4.4. RELATIONS WITH PARLIAMENT**

##### **v) Action taken on the non-legislative resolutions adopted by Parliament at its April II part-session**

(point 5.6.1 of the IRG record)

The Commission approved, for transmission to Parliament, documents SP(2017) 472, /2 and /4 on the action taken on the non-legislative resolutions adopted by Parliament at its April II part-session.

##### **vi) Action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its June part-session**

(point 5.6.2 of the IRG record)

The Commission approved, for transmission to Parliament, document SP(2017) 477 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its June part-session.

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

(SP(2017) 473)

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) 473, drawn up following the July part-session of Parliament, the contents of which were noted.

**viii) Results of Parliament's July part-session**

(SP(2017) 454 and /2; SP(2017) 455)

The Commission took note of the information in SP(2017) 454/2 and SP(2017) 455 on the proceedings of the part-session of Parliament held in Strasbourg from 3 to 6 July.

**ix) Participation by Members of Parliament in international conferences**

(point 5.7 of the IRG record)

- 71<sup>st</sup> session of the Marine Environment Protection Committee (MEPC) of the International Maritime Organization (IMO) (London, 3 to 7 July)

The Commission agreed to the request to the PRESIDENT from Mr Antonio TAJANI, the President of the European Parliament, concerning the attendance of four Members of Parliament at the above-mentioned meeting, from 3 to 7 July, as observers in the EU delegation, with a reminder about the procedure to be followed as set out in SP(2017) 478.

- 1<sup>st</sup> meeting of the conference of parties to the Minamata Convention on Mercury (Geneva, 24 to 29 September)

The Commission agreed to the request to the PRESIDENT from Mr Antonio TAJANI, the President of the European Parliament, concerning the attendance of four Members of Parliament at the above-mentioned

meeting, from 24 to 29 September, as observers in the EU delegation, with a reminder about the procedure to be followed as set out in SP(2017) 479.

#### **4.5. OTHER BUSINESS**

- x) Draft EU discussion paper on Trade and Sustainable Development (TSD) chapters in EU Free Trade Agreements (FTAs)**  
(point 7.1 of the IRG record)

The Commission approved the line set out in SPI(2017) 25 and /2.

### **5. MONITORING THE APPLICATION OF EUROPEAN UNION LAW**

#### ***STATE AID AND OTHER COMPETITION RULES***

The Commission's decision on this item is recorded in the special minutes.

### **6. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS**

#### ***6.1. WRITTEN PROCEDURES APPROVED***

*(SEC(2017) 330 ET SEQ.)*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 3 and 7 July.

#### ***6.2. EMPOWERMENT***

*(SEC(2017) 331 ET SEQ.)*

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 3 and 7 July.

**6.3. DELEGATION / SUBDELEGATION OF POWERS**

**(SEC(2017) 332 ET SEQ.)**

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 3 and 7 July, as archived in Decide.

**6.4. SENSITIVE WRITTEN PROCEDURES**

**(SEC(2017) 333 AND /2)**

The Commission took note of the sensitive written procedures for which the time limit expired between 10 and 14 July and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on Monday 10 July.

**6.5. DELEGATION OF THE POWER TO CORRECT OBVIOUS ERRORS IN COMMISSION ACTS**

**(C(2017) 4898)**

The Commission adopted the Decision set out in C(2017) 4898.

It decided to delegate to the Secretary-General the power to adopt on the Commission's behalf and under its responsibility corrigenda to Commission acts, whether or not they had been published, if they contained one or more obvious errors in one or more language versions adopted, in accordance with the terms and conditions set out in C(2017) 4898.

## **7. ADMINISTRATIVE AND BUDGETARY MATTERS**

**(SEC(2017) 334)**

### **ADMINISTRATIVE MATTERS**

**(PERS(2017) 91)**

#### **7.1. DG EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION – EXTERNAL PUBLICATION OF VACANCY NOTICE FOR AN AD14 (EU-1) DIRECTOR POST**

**(PERS(2017) 92)**

On a proposal from Mr OETTINGER, in agreement with the PRESIDENT and after consulting Ms THYSSEN and also Mr DOMBROVSKIS and Mr KATAINEN, the Commission decided to authorise the publication, under Article 29(2) of the Staff Regulations, of the vacancy notice in PERS(2017) 92 for the post of Director of the ‘Social Affairs’ Directorate in DG Employment, Social Affairs and Inclusion, a post reserved for nationals of the Republic of Croatia (EU-1).

This decision would take effect immediately.

#### **7.2. DG JUSTICE AND CONSUMERS – EXTERNAL PUBLICATION OF VACANCY NOTICE FOR AN AD14 (EU-1) DIRECTOR POST**

**(PERS(2017) 93)**

On a proposal from Mr OETTINGER, in agreement with the PRESIDENT and after consulting Ms JOUROVÁ and also Mr TIMMERMANS, Mr DOMBROVSKIS and Mr KATAINEN, the Commission decided to authorise the publication, under Article 29(2) of the Staff Regulations, of the vacancy notice in PERS(2017) 93 for the post of Director of the ‘Consumers’ Directorate in DG Justice and Consumers, a post reserved for nationals of the Republic of Croatia (EU-1).

This decision would take effect immediately.

**8. MS GABRIEL'S FIRST ATTENDANCE AT A COMMISSION MEETING  
(C(2017) 5000)**

The PRESIDENT welcomed Ms Mariya GABRIEL, who was attending her first Commission meeting as a Member.

The PRESIDENT informed the meeting that Ms GABRIEL had been officially appointed as a Member of the Commission by the Council five days earlier, on Friday 7 July, after consultation with the European Parliament and by agreement with him in his capacity as President of the Commission.

Ms GABRIEL, who was Bulgarian, would replace Ms GEORGIEVA, who had resigned on 31 December 2016. The PRESIDENT added that he had appointed her Commissioner for the Digital Economy and Society, a role in which she would work closely with Mr ANSIP.

The PRESIDENT wished Ms GABRIEL every success in her new role at the Commission.

The Commission took note of the Decision of the President on the organisation of the responsibilities of the Members of the Commission, set out in C(2017) 5000, amending Decision C(2014) 9000 of 1 November 2014, as amended by Decision C(2016) 6000 of 13 July 2016 and Decision C(2016) 6300 of 21 September 2016.

## **9. STATE OF PLAY OF THE NEGOTIATIONS ON THE WITHDRAWAL OF THE UNITED KINGDOM FROM THE EUROPEAN UNION**

The PRESIDENT welcomed Mr BARNIER, the Commission's Chief Negotiator in the negotiations with the United Kingdom under Article 50 of the Treaty on European Union, whom he had invited to the meeting to inform the Members of the state of play of the negotiations on the United Kingdom's withdrawal from the European Union.

Mr BARNIER reported that the first round of negotiations had been important and useful and that the talks with the British counterparts had taken place in a constructive atmosphere. There were two main reasons why the negotiations had got off to such a good start: the sound preparations made by the Commission, in close cooperation with the other EU institutions and the 27 Member States, in particular the position papers setting out the key principles, which had made it possible to set the tone and the agenda, and the UK's interest in this first session taking place for domestic political reasons.

During this first round of talks, the two sides had reached agreement on the dates for subsequent rounds, on the establishment of three working groups and on the launch of a political dialogue on Ireland. These advances should make it possible to prioritise the uncertainties created by the UK's withdrawal from the Union and amounted to an implicit acceptance that the sequence of negotiations would correspond to the Union's wishes.

Mr BARNIER felt, however, that the hardest tasks still lay ahead. He observed that the United Kingdom had not yet really engaged in the negotiations or spelled out its positions. He noted in this regard that David Davis, the Secretary of State for Exiting the European Union, did not regard his direct involvement in these negotiations as his priority and there was also a possibility that he might not be present at the full opening session of the July cycle of talks.



Nevertheless, Mr BARNIER considered that the United Kingdom's objectives and tactics were clear. Its government wanted to make swift progress on citizens' rights and Ireland for domestic political reasons, while deferring any progress on the budgetary issue until the second phase of negotiations, which would not be compatible with the European Council's political guidelines and the mandate from the Council.

On the specific question of the financial settlement, the UK's real aim seemed to be to use past debts as a means of buying future access to parts of the single market, something which the Union could not accept. He stressed that the European Union must therefore be extremely clear on this matter and pointed out that the negotiations could only move on to the second stage if 'sufficient progress' had been achieved on all three main issues surrounding an orderly withdrawal by the United Kingdom, not just on two of them. If the United Kingdom did not acknowledge in July that it had financial obligations towards the Union, there was no prospect of reaching an agreement on the first stage of the negotiations in October. He therefore felt that the next round of negotiations would be the moment of truth.

On the question of citizens' rights, the United Kingdom had published its position on 26 June. However, this offer was deemed to be insufficient as its effect would be to diminish the rights of European citizens and it could not therefore be described as in any way fair or generous.

In relation to the UK's position on this issue, Mr BARNIER stressed three points in particular. The first concerned the lack of reciprocity, since the United Kingdom intended to apply UK law to the 3.2 million European citizens who resided there, whereas the 1.2 million British citizens living in the Union would be subject to EU rules. This meant that British citizens living in the Union would in practice receive better treatment than European citizens living in the United Kingdom, which was unacceptable. The second point related to the inadequate safeguards that rights

would be protected over time and on the basis of the withdrawal agreement. On this point, he noted that the UK wanted to apply its own law, which could change over time, and it was refusing any role for the Court of Justice of the European Union, even though it was the only body with jurisdiction to interpret and implement Union law. The third and last point concerned the possibility of rights being exercised without any administrative barriers being placed to the acquisition of rights by EU citizens living in the United Kingdom. He pointed out in this respect that the form for obtaining permanent resident status in the United Kingdom was 85 pages long and entailed significant costs, not to mention the fact that at this stage the EU knew nothing about the forms that would be imposed by the UK on EU citizens during the ‘grace period’ referred to by the UK authorities, or the associated costs.

As regards the financial settlement, he announced that his aim was to ensure that the United Kingdom acknowledged the following week that it had financial obligations towards the Union, so that talks could begin on the methodology to be applied to determine the amount involved.

On the question of Ireland, the Union’s objective was to preserve the ‘Good Friday’ Agreement in its entirety and to maintain the Common Travel Area, while safeguarding the integrity of the single market.

Once these principles had been laid down, Mr BARNIER felt that, during the second stage of negotiations, the two sides would be able to discuss their implications and practical solutions, particularly on the border issue. Any solution would of course depend on the political situation and on the nature of the future relationship that had been defined. Lastly, care would have to be taken to ensure that the technical solutions did not take precedence over the political issues.

Apart from these three topics, Mr BARNIER noted that there were other matters to be discussed relating to the UK’s orderly withdrawal from the EU.

The Union had so far published a total of nine position papers on key principles in

nine areas. Mr BARNIER said that these papers had served to set out clearly and precisely the EU's positions on major aspects of the withdrawal process, and he went on to summarise the most salient points.

On the question of governance, he explained that the Union was proposing to set up a joint EU-UK committee to manage the withdrawal agreement once it had been concluded, with the Court of Justice as the dispute resolution body, in line with the mandate given to the Commission.

It had also been proposed that any EU proceedings under way before the UK's withdrawal, whether it be a case before the Court or at administrative level, such as infringement proceedings or decisions on state aid, could be concluded and take effect even after the UK had left the Union. This was vital to guarantee a level playing field in the single market and ensure that the UK met its obligations up until its withdrawal.

He also explained that the Union was proposing that the Protocol on privileges and immunities should continue to apply to the Union's activities after withdrawal so that the European Investment Bank could carry on its activities in the United Kingdom and in order to ensure the smooth relocation of the agencies currently based in the UK.

On the question of fissile material, Mr BARNIER explained that the Union expected the United Kingdom to assume, on the withdrawal date, full responsibility for Euratom control and safety obligations, in accordance with all its international commitments. This was vital to avoid any interruption in the supply of nuclear materials to the UK, whether it be for power stations or hospitals. He pointed out that it would be impossible for the United Kingdom to continue to be part of the European Atomic Energy Community once it had withdrawn from the Union.

To avoid bottlenecks and breaks in supply chains, the Union was also proposing that goods already placed on the market before the United Kingdom's withdrawal should

still be able to move between the UK market and the single market of the EU27, except for goods of animal origin for which EU law prescribed 100% checks at borders with a third country.

Finally, Mr BARNIER referred to the judicial proceedings under way on the basis of EU law, whether in the area of civil, commercial or criminal law. The Union envisaged that these proceedings, too, would continue after the withdrawal, particularly where they related to security and ongoing Europol investigations.

He said that all the position papers proposed by the Commission had been very favourably received by the 27 Member States and the European Parliament, and stressed that transparency and ownership of the negotiating positions were at the heart of the working method adopted by the Union in these negotiations.

In conclusion, Mr BARNIER emphasised the important round of negotiations due to begin the following week, in which the UK had to commit itself regarding the substance of the issues under discussion. Should this not be the case, he considered it highly unlikely that 'sufficient progress' could be deemed to have been made or that it would be possible in October to move on to the second stage of the negotiations, at which the future relationship with the UK would be discussed.

In this regard, he invited the Commission Members to be prepared to accelerate the negotiation timetable between August and October by holding a negotiating round every three weeks instead of four.

Meanwhile, he felt that the UK should genuinely commit to a precise mandate, and regretted the lack of clarity and will shown so far by the British government.

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

- the highly sensitive nature of the Irish question in the temporary absence of a government in Northern Ireland and given the lack of clarity of the British

- position on how to avoid reintroducing a physical border between Northern Ireland and the Irish Republic; in this context, the importance of prioritising discussions at the political level before the technical discussions could begin;
- the short-term budgetary questions arising as a result of the UK's withdrawal from the Union, particularly from 2019 and in view of outstanding commitments that must be fulfilled;
  - the British public's lack of understanding of the financial aspects of the UK's withdrawal from the Union, and the need to inform the public in order to explain that commitments undertaken as a Member State created a legal and financial obligation;
  - the importance of ensuring that EU citizens currently living in the UK did not have to pay the price of the UK's withdrawal from the Union, and of keeping them regularly informed in a transparent manner of the state of the negotiations so as to enable them to prepare for every eventuality;
  - the impact that the process of the UK's withdrawal from the Union was already having on ongoing programmes, particularly in the area of research; this risked jeopardising their viability by creating uncertainty about the financing granted to the UK partners of consortia;
  - beyond the question of the relocation of the EU agencies, which was not part of the negotiations, the need to consider the significant involvement of UK laboratories in EU-funded activities;
  - the need to consider the situation of British staff in the EU institutions, particularly as regards issues relating to the staff regulations and pension entitlements, and the importance of keeping these staff regularly informed of the progress of the discussions on these issues;

- the appropriateness of the approach chosen for the negotiations, which gave priority to citizens rather than goods and capital and demonstrated in a practical way that the EU was above all a Union of men and women;
- the positive image that the Union was projecting by its state of preparedness and transparent working methods, and the resulting positive impact this was having in the Member States on the level of popular support for the EU;
- the immediate concerns raised by the UK's withdrawal from the EU in the aviation sector, in view of the risk that aviation relations would be broken off if the negotiations failed and the need for the airlines to programme their activities many months in advance;
- the difficulties that might be caused by any potential absence of the chief negotiator on the British side, since this risked jeopardising the negotiations by multiplying the number of negotiators.

Mr BARNIER acknowledged the extreme sensitivity and the complexity of the Irish question, which was why, at the specific request of the PRESIDENT, he had established a close working relationship with the Irish government in order to identify viable solutions. In this regard, he noted the particular problem of the trade in animals and animal products owing to the sanitary issues raised and the difficulty of ensuring controls without reintroducing a physical border with Northern Ireland. However, he pointed out that the Irish economy was less dependent on the British economy than in the past and that the UK remained the guarantor of the Irish 'Good Friday' agreement.

He also referred to the situation of the aviation sector and said that he had met some airline representatives to discuss the consequences of the UK's withdrawal from the EU. Aviation relations risked being broken off if agreement were not reached on the withdrawal, and the Commission was currently analysing the consequences of the withdrawal for the sector.

More generally, he pointed out that in many ways the negotiations entailed a text and data mining exercise, the effect of which was to demonstrate the multitude of benefits acquired thanks to European integration. These benefits represented advances that were forgotten by citizens and undertakings in day-to-day life at a time when the decision of a Member State to leave the Union was calling them into question. He invited the Members to take advantage of this exercise in order to inform the public on the progress that had been made within the Union and the numerous practical benefits enjoyed by its citizens as a result.

With regard to the financial settlement, Mr BARNIER reiterated the consensus existing among the 27 Member States that the UK should honour all its legal and financial commitments. This matter would be discussed for the first time during the next round of negotiations starting on 17 July. On this point, he felt it was necessary to consider adapting the working methods so as to allow the Union to act quickly if the need arose in the course of the negotiations. In this respect, he referred to the significant work of internal and interinstitutional coordination necessary in order to validate position papers, the two weekly meetings held with the Council Working Party and his reports to the European Parliament steering group before and after each negotiating round.

Lastly, he emphasised the importance for himself personally of being able to negotiate with a stable, accountable and authorised interlocutor who was available for the negotiations, in his view a fundamental condition for their smooth conduct.

Winding up the discussion, the PRESIDENT expressed his concern about the question of the stability and accountability of the UK negotiator and his apparent lack of involvement, which risked jeopardising the success of the negotiations. He invited Mr BARNIER to remain firm on this point and not to accept discussions at the purely technical level with negotiators who had no political mandate, while fundamental political questions still remained. In this respect, he pointed out, as Mr BARNIER had done in his presentation to the European Economic and Social

Committee, that the lack of an agreement would lead not to the status quo but rather to a disorderly withdrawal of the UK from the Union.

The Commission took note of this information.

**10. RECOMMENDATION FOR A COUNCIL DECISION ABROGATING  
DECISION 2009/415/EC ON THE EXISTENCE OF AN EXCESSIVE  
DEFICIT IN GREECE  
(COM(2017) 380; RCC(2017) 93)**

The PRESIDENT invited Mr DOMBROVSKIS and Mr MOSCOVICI to present the Recommendation for a Council Decision abrogating Decision 2009/415/EC on the existence of an excessive deficit in Greece.

Mr DOMBROVSKIS emphasised that this Recommendation, the purpose of which was to conclude the excessive deficit procedure for Greece, was a further positive sign of the country's financial stability and economic recovery. He explained that all of the conditions needed to conclude the procedure had been met in full, and that this Decision could not be included in the European Semester Spring Package because it was necessary to await the results of the second review of the programme of assistance for Greece and the disbursement of the new instalment of financial aid via the European Stability Mechanism. He felt that Greece would now be able to benefit from the results it had achieved and encouraged it to continue to strengthen confidence in its economy, which was a key element in preparing the country's return to the financial markets.

Mr MOSCOVICI stressed the importance of this Decision in order to strengthen confidence in Greece and help it to recover.

He welcomed the fact that the efforts made by the country, particularly in terms of



fiscal consolidation, expenditure and structural reforms, were finally bearing fruit. The European Stability Mechanism programme was scheduled to end in 2018, and the focus now needed to be placed on ensuring sustainable growth, kick-starting investment and improving the social security system to protect and support the most vulnerable people and prepare Greece for a successful exit from the programme.

He emphasised that Greece had implemented a vast package of reforms – consisting of more than 140 initiatives for the second review alone – and highlighted the significant reduction in its overall deficit which, after reaching a peak of 15.1% of GDP a few years ago, had been transformed into a surplus of 0.7% in 2016 thanks to the implementation of the current assistance programme. He explained that this result was well below the 3% benchmark laid down in the Treaty and cited the Commission's Spring forecasts, according to which this fiscal improvement should be sustainable in both the short and the medium term.

Mr MOSCOVICI also emphasised the progress made by the entire euro area since the start of the Commission's mandate and specified that only two Member States still showed an excessive deficit, down from eight in 2014. He also felt that the respective deficits of these two countries could be brought below the threshold of 3% in 2017, or 2018 at the latest. Finally, he noted that the average deficit in the euro area had fallen from 2.6% in 2014 to 1.4%, as forecast this year.

In conclusion, these results demonstrated that the entire euro area was gradually coming out of a long period of budgetary austerity, and 2018 could be the year in which all euro area countries would bring their deficit below 3% and Greece would exit its programme. He also praised the efforts of the team in charge of this dossier, emphasising the personal commitment and dedication of Mr Declan COSTELLO, the main adviser to the Directorate-General for Economic and Financial Affairs, which had made these results possible.

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

- the importance of this Decision in the context of strengthening the new spirit of cooperation between Member States.
- the need to remain vigilant and to take measures as early as possible to address certain problems, such as the high public debt in some Member States and the persistence of sometimes adverse social conditions within the Union.
- the need to step up communication initiatives in order to demonstrate to citizens, especially in Greece, that the structural reform efforts had achieved the desired results and, from this point of view, the importance of the PRESIDENT's visit to Thessaloniki on Thursday 13 July.

In conclusion, the PRESIDENT welcomed the Decision and thanked Mr DOMBROVSKIS and Mr MOSCOVICI, as well as the Commission departments that had contributed to this positive outcome both for Greece and for the Union as a whole. He stressed that the Commission should be ready to act from the autumn with regard to the high levels of debt in certain Member States.

Following these presentations, the Commission, on a proposal from the PRESIDENT, confirmed the adoption of the Recommendation for a Council Decision in document COM(2017) 380 by urgent written procedure in accordance with Article 12(5) of the Rules of Procedure, the deadline for which was set at 13.00 on Wednesday 12 July (PE/2017/4999).

## **11. OTHER BUSINESS**

### ***11.1. OPENING OF AN ANTI-DUMPING INVESTIGATION BY THE UNITED STATES ON STEEL AND ALUMINIUM IMPORTS***

The PRESIDENT invited Ms MALMSTRÖM to report on developments concerning the 'section 232' investigations being prepared in the

United States on the effect of imports of steel and aluminium on national security.

Ms MALMSTRÖM explained that these investigations, carried out under the 1962 Trade Expansion Act, had hitherto been quite rare, and that their aim was to determine whether or not imports in a particular sector could endanger US national security. She added that, in this case, the investigations might lead to restrictions on imports in the relevant sectors, and that several of the United States' trading partners had already expressed concern regarding the outcome of the investigations.

She then summarised the current World Trade Organisation (WTO) rules, which constituted the applicable regulatory framework should a trading partner decide to introduce unilateral trade restrictions requiring adjustments to the Union's trade strategy. She felt that, although the Commission was competent to take initiatives in this eventuality, communication efforts relating to this matter should be coordinated, in particular at Member State level.

In conclusion, the PRESIDENT emphasised that the Union expected all of its trading partners to respect existing agreements, and explained that any unilateral measures would be examined promptly and could give rise to an immediate, targeted and proportionate response from the Union.

The Commission took note of this information.

## ***11.2. LAUNCH OF THE 'ALLIANCE FOR THE SAHEL' INITIATIVE (PARIS, 13 JULY)***

Ms MOGHERINI informed the College that on Thursday 13 July she would be participating in the launch of the Alliance for the Sahel in Paris. The aim of the Franco-German initiative was to facilitate communication between international lenders - the World Bank Group, the African Development Bank

and the United Nations Development Programme - with a view to stepping up development aid to the countries in the region (Mauritania, Mali, Burkina Faso, Niger and Chad) affected by the unstable political, economic and security situation. She noted that the European Union's attendance at the event added a European dimension to the initiative and illustrated the EU's role in the area of development and migration management.

The Commission took note of this information.

### ***11.3. COMPREHENSIVE SETTLEMENT OF THE CYPRUS QUESTION***

Ms MOGHERINI informed the College of the failure of the Cyprus talks organised by the United Nations in Switzerland and in which she and Mr TIMMERMANS had participated, the talks having unfortunately ended without an agreement on Friday 7 July. Although she was disappointed by the outcome of the talks, it was important to note that the Turkish government felt the EU had played a significant and constructive role throughout the negotiations.

The Commission took note of this information.

### ***11.4. SYSTEM TO REGISTER ENTRY AND EXIT DATA OF THIRD-COUNTRY NATIONALS CROSSING THE EXTERNAL BORDERS OF THE EUROPEAN UNION***

Mr AVRAMOPOULOS informed the College that an agreement had been reached by the Council and Parliament – at the level of the Permanent Representatives Committee and the Committee on Civil Liberties, Justice and Home Affairs respectively – on the text of the Regulation establishing an Entry/Exit System (EES) to register entry and exit data and refusal of entry data of third-country nationals crossing the external borders of the Member States of the European Union and determining the conditions for access to the EES for law-enforcement purposes.

He welcomed this positive development and indicated that the agreement would allow the proposal to be adopted by the Parliament and the Council at first reading. He highlighted the importance of implementing the EES by 2020 in order to manage the external borders effectively and improve security in the EU.

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 11.49.