



**COUNCIL OF
THE EUROPEAN UNION**



14070/12

PROVISIONAL VERSION

PRESSE 391
PR CO 49

PRESS RELEASE

3187th Council meeting

General Affairs

Brussels, 24 September 2012

President **Mr Andreas MAVROYIANNIS**
Deputy Minister for European Affairs of Cyprus.



P R E S S

Main results of the Council

*The Council discussed a revised negotiating box for the EU's **multiannual financial framework 2014-2020**.*

*The Council discussed a draft annotated agenda for the October meeting of the **European Council**. It also held an exchange of views on the lessons learned from the **European Semester** process.*

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
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PARTICIPANTS

Belgium:

Mr Dirk WOUTERS

Permanent Representative

Bulgaria:

Mr Ivan NAYDENOV

Deputy Minister of Foreign Affairs

Czech Republic:

Mr Vojtěch BELLING

Secretary General for European Affairs

Denmark:

Mr Nicolai WAMMEN

Minister for European Affairs

Germany:

Mr Michael G. LINK

State Minister of the German Ministry of Foreign Affairs

Estonia:

Mr Matti MAASIKAS

Permanent Representative

Ireland:

Mr Eamon GILMORE

Tánaiste (Deputy Prime Minister) and Minister for Foreign Affairs and Trade

Ms Lucinda CREIGHTON

Minister of State for European Affairs (Departments of the Taoiseach and Foreign Affairs and Trade)

Greece:

Mr Dimitrios KOURKOULAS

State Secretary for Foreign Affairs

Spain:

Mr Íñigo MÉNDEZ DE VIGO Y MONTOJO

State Secretary for the European Union

France:

Mr Bernard CAZENEUVE

Minister Delegate attached to the Minister of Foreign Affairs, with responsibility for European Affairs

Italy:

Mr Enzo MOAVERO MILANESI

Minister responsible for European Affairs

Cyprus:

Mr Andreas MAVROYIANNIS

Deputy Minister to the President of the Republic of Cyprus for European Affairs

Ms Rea YIORDAMLIS

Director for European Affairs

Latvia:

Mr Andris TEIKMANIS

State Secretary, Ministry of Foreign Affairs

Lithuania:

Mr Vytautas LESKEVICIUS

Vice-Minister, Political Director, MFA

Luxembourg:

Mr Christian BRAUN

Permanent Representative

Hungary:

Ms Enikő GYŐRI

State Secretary, Ministry of Foreign Affairs

Malta:

Mr Tonio BORG

Deputy Prime Minister and Minister of Foreign Affairs

Netherlands:

Mr Ben KNAPEN

Minister for European Affairs and International Cooperation

Austria:

Mr Reinhold LOPATKA

State Secretary, Federal Ministry of European and International Affairs

Poland:

Mr Piotr SERAFIN

Secretary of State, Ministry of European Affairs

Portugal:

Mr Miguel MORAIS LEITÃO

State Secretary attached to the Minister for Foreign Affairs, with responsibility for European Affairs

Romania:

Mr Leonard ORBAN

Minister for European Affairs

Slovenia:

Mr Igor SENČAR

State Secretary for Foreign Affairs

Slovakia:

Mr Peter JAVORČÍK

State Secretary for Foreign Affairs

Finland:

Mr Alexander STUBB

Minister for European Affairs and Foreign Trade

Sweden:

Ms Birgitta OHLSSON

Minister for EU Affairs

United Kingdom:

Mr David LIDINGTON

Minister of State for Foreign and Commonwealth Affairs

.....

Commission:

Mr Maroš ŠEFČOVIČ

Vice President

Mr Janusz LEWANDOWSKI

Member

.....

The Government of the Acceding State was represented as follows:

Croatia:

Mr Neven MIMICA

Deputy Prime Minister

ITEMS DEBATED

Multiannual financial framework

public session

The Council discussed the EU's multiannual financial framework (MFF) for the 2014-2020 period on the basis of a revised negotiating box ([13620/12](#))¹ prepared by the Cyprus presidency. It also took note of the presentation by the Commission of its proposal for a new value added tax (VAT) based own resource ([16844/11](#)).

Ministers welcomed the work undertaken by the Cyprus presidency and expressed their willingness to reach agreement at a special European Council scheduled for 22-23 November.

Comments focused on the following issues:

- the overall expenditure ceiling: some member states welcomed the presidency intention to reduce the figures proposed by the Commission and insisted on the need of better spending. Others defended the Commission proposal, arguing that the MFF was the major investment tool for promoting growth and creating jobs, while agreeing with the importance of a high quality of spending which in their view needed to be ensured in all expenditure areas.
- expenditure ceilings for individual headings: some delegations insisted that cuts should be made in all individual headings. Some opposed any reductions in cohesion policy, some objected to cuts on the Common Agricultural Policy (CAP) and some considered the amounts proposed for both, cohesion policy and CAP, to be a strict minimum.
- the allocation of cohesion policy funds: some member states deplored the removal from the negotiating box of the "reverse safety net", aimed at limiting the scope of support to a member state compared to a certain percentage of its level during the 2007-2013 period. Others welcomed this modification, but voiced concern about a possible reduction of the maximum level of transfer ("capping rate") below 2.5% of GDP of each individual member state.

¹ The negotiating box is a paper drafted by the presidency outlining the main elements and options for the MFF negotiations. It is constantly updated as negotiations move forward and is ultimately intended as the basis for an agreement of the European Council.

- rural development: some member states insisted that the "past performance principle" for the distribution of EU support should be understood as the share of funds allocated to a member state for the entire 2007-2013 period, rather than only for the year 2013 as intended by the Commission.
- direct support in agriculture: some member states opposed the reduction of the EU average of direct aids per hectare. Others supported it if this contributed to a higher convergence of direct aids between member states, or subject to exceptional provisions for member states whose level of direct aids is lower than the EU average.
- unused commitments ("reste à liquider", RAL): some member states welcomed the presidency's intention to include provisions on this into the negotiating box, while others considered RAL to be a normal feature of the EU budget procedure, and that it should be addressed in that framework.
- instruments inside and outside the MFF: some member states expressed concern at the suggestion to put the EU's solidarity fund (SF) and the European globalisation adjustment fund (EGF) outside the MFF, rather than keeping the SF within the MFF's expenditure limits and discontinuing the EGF.
- own resources: several ministers stressed the importance of rules being simple, transparent and fair. Some deplored the fact that the negotiating box had not been revised on the revenue side. Others opposed any change on own resources. Some delegations supported the abolition of the current VAT-based own resource, as proposed by the Commission. Some were ready to examine this proposal, while others opposed it. The proposal for a new own resource based on a financial transaction tax¹ was supported by some member states and opposed by others. Some member states insisted to keep the system for collection of traditional own resources unchanged. This would mean that member states would continue to retain, by way of collection costs, 25% of the amounts collected by them, rather than 10% as proposed by the Commission. Some ministers were in favour of abandoning all correction mechanisms under the system of own resources; others insisted on maintaining existing correction mechanisms or at least keeping a guarantee of the current amount of correction under a new mechanism.

As on previous occasions, the Cyprus presidency held an exchange of views with representatives of the European Parliament before the Council meeting and debriefed them afterwards.

¹ The FTT is expected to be introduced by some member states in the framework of an enhanced cooperation.

The presidency will reflect on the comments made by delegations and endeavour to fine-tune the negotiating box in order to further narrow down member states' positions. The objective is to reach agreement on the MFF package at the special European Council on 22-23 November.

The General Affairs Council will again meet twice before the November European Council, on 16 October in Luxembourg and 20 November in Brussels. After the European Council of 18-19 October, the presidency intends to issue a newly revised negotiating box with some ranges of figures. The President of the European Council, Herman Van Rompuy, will hold bilateral consultations starting from 5 November.

Further information on the negotiations may be found on the Council's MFF webpages:

<http://www.consilium.europa.eu/special-reports/mff>

Preparation of the European Council

The Council took note of an annotated draft agenda for the European Council meeting to be held on 18 and 19 October ([13386/12](#)).

The European Council is due to focus on:

- *Economic policy*: implementation of the Compact for Jobs and Growth, interim report on the future of economic and monetary union, ongoing work on banking union;
- *Strategic partners*: the EU's relations with its strategic partners;
- *Other issues*: foreign policy issues (in the light of events).

The Council will hold a further discussion, on the basis draft European Council conclusions, at its meeting on 16 October.

European Semester

The Council took stock of lessons learned from the 2012 *European Semester* monitoring exercise and possible improvements for 2013 ([13439/12](#)).

The *European Semester* involves simultaneous monitoring of the member states' economic, fiscal, employment and social policies, in accordance with common rules, during a six-month period every year. It was first organised in 2011.

Although the outcome of this year's exercise was considered satisfactory overall, implementation is now being reviewed. The process has been made more challenging by strengthened rules on economic governance.

The Economic and Financial Affairs Council and the Employment, Social Policy, Health and Consumer Affairs Council will carry out further work at their meetings on 4 and 9 October, respectively.

Other Business

Inclusion of Roma

The Council was briefed by the Commission on developments in the implementation of national Roma strategies.

It held an exchange of views.

European political parties

The Council took note of the presentation by the Commission of proposals aimed at improving the rules and funding arrangements of European political parties and foundations.

The Commission signalled its wish that the new rules be agreed in time for the 2014 European election campaign.

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Over lunch, ministers discussed the role of the General Affairs Council and how it can improve its working methods, in particular as regards the preparation and follow-up of European Council meetings.

OTHER ITEMS APPROVED

FOREIGN AFFAIRS

Syria - Restrictive measures

The Council adopted a regulation implementing the latest round of EU restrictive measures against the Syrian regime, as set out in Council Decision 2012/420/CFSP of 23 July.

The regulation in question gives legal effect to the requirement to provide advance customs declarations in relation to all goods leaving the customs territory of the Union to Syria. This is related to the obligation of member states to inspect aircraft and vessels in their territory, for which they have reasonable grounds to believe they are transporting prohibited items to Syria. The regulation also specifies the modalities of the seizure and disposal of such goods discovered during inspections.

In addition, the act brings into effect an exemption to the existing EU asset freeze: Member states may authorise payments through banks subject to sanctions if the transfers constitute financial support to Syrian students or researchers in the EU.

Guinea-Bissau - Restrictive measures

Following a decision by the UN Sanctions Committee, the Council amended the EU restrictive measures against Guinea-Bissau: It removed several persons from the list of persons subject to EU autonomous travel restrictions and included them in the list of those targeted with a UN travel ban. The total number of individuals subject to sanctions has not changed.

Croatian accession to the EU - Adaptation of agreements with third countries

The Council authorised the Commission to open negotiations for the adaptation of agreements signed or concluded between the EU, or the EU and its member states, with third countries or international organisations in view of the accession of Croatia to the EU.

To this end, it authorised the Commission to open negotiations with San Marino for the adaptation of the EU/Sans Marino agreement on cooperation and customs union; the Swiss Confederation for the adaptation of the EU/Switzerland agreement on the free movement of persons; and Norway for the adaptation of the agreement on the European Economic Area and the adaptation of the EU/Norway agreement on a Norwegian Financial Mechanism for the period 2009-2014.

Relations with Tunisia

The Council authorised the signature of an amended protocol to the EU-Tunisia association agreement to take account of the accession to the EU of Bulgaria and Romania.

It decided to provisionally apply the protocol, pending the completion of the procedures for its conclusion.

GENERAL AFFAIRS

Court of Justice and General Court - Remuneration for new posts of vice-president

The Council adopted a regulation amending regulation 422/67/EEC 5/67/Euratom in order to make provision for the remuneration of the new posts of the vice-president of the Court of Justice and the vice-president of the General Court. This amendment is a direct consequence of the recent amendment to the protocol on the statute of the Court of Justice of the European Union and annex I thereto.

TRADE POLICY

EU-US agreement

The Council approved the signing of an agreement with the United States (in the form of an exchange of letters) pursuant to articles 24:6 and 28 of the WTO's "GATT 1994" general agreement on tariffs and trade.

The agreement relates to the modification of concessions in the schedules of Bulgaria and Romania in the course of their accession to the EU.

EU-Panama negotiations

The Council authorised the Commission to open negotiations with Panama in accordance with article 28 of the WTO's "GATT 1994" general agreement on tariffs and trade.

BUDGETS

Updated forecast of own resources

The Council adopted its position on draft amending budget no 4 for 2012, approving the revision of the forecast of own resources. As compared to the previous forecast, the financing from net customs duties decreases (- EUR 1.52 billion) while the financing from the own resources based on the value added tax (VAT) and on the Gross National Income (GNI) increases (+ EUR 47 million and + EUR 1.47 billion respectively).

By adopting its position on draft amending budget no 4 for 2012 the Council also approved the creation of budget lines with a token entry (p.m.) related to the establishment of risk sharing instruments which could be created by member states experiencing or threatened by serious difficulties with respect to their financial stability in order to facilitate private investment and growth.

Moreover, the draft amending budget also covers the creation of a token entry (p.m.) on the budget line for the preparatory action "EuroGlobe".

DEVELOPMENT COOPERATION

African Peace Facility

The Council adopted conclusions which allow the replenishment of the Facility for the period 2012-2013, by using EUR 100 million from unallocated resources of the 10th EDF Intra-ACP envelope and EUR 26.4 million of residual funds from the period 2008-2010. For more information see: 13703/12.

Fiji Islands

The Council decided to amend and extend the period of application of decision *2007/641/EC* on the conclusion of consultations with the Republic of the Fiji Islands under Article 96 of the ACP-EC Partnership Agreement and Article 37 of the Development Cooperation Instrument. For more information see: [13567/12](#).

Saint-Barthélemy

The Council adopted the decision [12883/12](#) to take account of the change of status of French collectivity of Saint-Barthélemy, formerly an outermost region of the EU and since 1 January 2012 an overseas country or territory associated with the European Union.

COMMON SECURITY AND DEFENCE POLICY

EUPOL RD Congo

The Council extended the EU police mission in the Democratic Republic of the Congo by 12 months, that is until 30 September 2013. It also allocated a budget of EUR 6 750 000 for the period from 1 October 2012 to 30 September 2013.

The EU police mission in the Democratic Republic of the Congo aims to improve the maturity and sustainability of the reform process of the Congolese National Police. It assists and advises the Congolese authorities on security sector reform in the area of police and its interface with the system of justice.

EUSEC RD Congo

The Council extended the EU mission to provide advice and assistance for security sector reform in the Democratic Republic of the Congo (EUSEC RD Congo) by 12 months, that is until 30 September 2013. It also allocated a budget of EUR 11 million for the period from 1 October 2012 to 30 September 2013.

EUSEC RD Congo provides advice and assistance to the Congolese authorities in charge of security while ensuring the promotion of policies that are compatible with human rights, gender issues and children affected by armed conflicts, democratic standards and the rule of law.

JUSTICE AND HOME AFFAIRS

Eurojust report

The Council took note of the activity report of the Joint Supervisory Body of Eurojust for the year 2011 (13032/12) and forwarded it to the European Parliament for information, as required by the Council decision setting up Eurojust¹.

European Legislation Identifier

The Council adopted conclusions (13401/12) proposing the introduction of the European Legislation Identifier (ELI), aimed at providing a flexible and unique way to reference legislation across different legal systems and paving the way for a semantic web of Legal Gazettes and Official Journals.

Europol work programme for 2013

The Council endorsed Europol's work programme for 2013 ([12667/12](#)), in the framework of the implementation of Europol's Strategy 2010-2014, and will forward it to the European Parliament for information.

This report is prepared each year by Europol's Management Board, as required by Council decision establishing the European Police Office², taking into account member states' operational requirements and budgetary and staffing implications for Europol.

The Mechanism on Cooperation and Verification for Bulgaria and Romania

The Council adopted conclusions as set out in [13529/12](#).

¹ OJ L 63, 6.3.2002

² OJ L 121, 15.5.2009.

INSTITUTIONAL AFFAIRS

Court of Justice - Rules of procedure

The Council approved a draft recast of the rules of procedure of the Court of Justice ([13509/12](#)).

The recast, submitted by the Court in May 2011 for the Council's approval, adapts the structure and content of the rules of procedure so as to improve efficiency in the face of the Court's ever-increasing caseload.

The text also introduces clarifications, codifies certain existing rules and practices, and includes rules to implement certain provisions of a recent amendment to the EU treaty protocol on the statute of the Court of Justice.

APPOINTMENTS

Committee of the Regions

The Council appointed Mr Bohuslav SVOBODA (Czech republic) ([12909/12](#)), Ms Louisa MAVROMMÁTI and Mr Louis KOUMENIDES (Cyprus) ([13365/12](#)), Ms Helma KUHN-THEIS and Mr Markus TÖNS (Germany) ([13374/12](#) and [13624/12](#)), and Mr Georg LINKOV (Estonia) ([13380/12](#)) as members of the Committee of the Regions for the remainder of the current term of office, which runs until 25 January 2015.

TRANSPARENCIES

Transparency - public access to documents

The Council approved:

- the reply to confirmatory application No 16/c/01/12 the Finnish delegation voting against ([13306/2/12 REV 2](#))
- the reply to confirmatory application No 17/c/01/12 the Danish, Estonian, Finnish and Swedish delegation voting against ([13309/1/12 REV 1](#))
- the reply to confirmatory application No 18/c/01/12 the Danish, French, Finnish and Swedish delegation voting against ([13312/12](#)).

WRITTEN PROCEDURE

Judges at the Court of Justice and at the General Court

On 20 September, the representatives of the governments of the member states reappointed Mr Anthony BORG BARTHET (Malta) judge to the Court of Justice for the period from 7 October 2012 to 6 October 2018. They also appointed Mr Eugène BUTTIGIEG (Malta) judge to the General Court for the remainder of the term of office, which ends on 31 August 2013.

The Court of Justice is composed of 27 judges and eight advocates-general. They are appointed for a term of office of six years, which is renewable. The judges of the Court of Justice elect one of themselves as president for a renewable term of three years.

The General Court is made up of at least one judge from each member states. They are appointed for a term of office of six years, which is renewable. They elect their president, for a period of three years, from amongst themselves.