



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 15 March 2012

**17907/11
ADD 1**

**PV CONS 74
ECOFIN 842**

ADDENDUM to DRAFT MINUTES

Subject: **3129th meeting of the Council of the European Union (ECONOMIC and FINANCIAL AFFAIRS) held in Brussels on 30 November 2011**

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¹ Deliberations on Union legislative acts (Article 16(8) of the Treaty on European Union), other deliberations open to the public and public debates (Article 8 of the Council's Rules of Procedure).

LEGISLATIVE DELIBERATIONS

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

"A" ITEMS

1. General budget of the European Union for the financial year 2012

- Approval of the joint text
17470/11 FIN 958
 - + ADD 1
 - + ADD 2
 - + ADD 3
 - + ADD 4
 - + ADD 5

The Council approved by unanimity the joint text on the EU budget for 2012, in accordance with Article 314(6) of the Treaty on the Functioning of the European Union.

Statements by the European Parliament and the Council

1. Payment appropriations

"Taking into account the ongoing fiscal consolidation efforts in Member States, the European Parliament and the Council agree on a reduction of the level of payment appropriations for 2012 as compared to the Commission's draft budget. They ask the Commission to request additional payment appropriations in an amending budget if the appropriations entered in the 2012 budget are insufficient to cover expenditure under sub-heading 1a (Competitiveness for growth and employment), sub-heading 1b (Cohesion for growth and employment), heading 2 (Preservation and management of natural resources), heading 3 (Citizenship, freedom, security and justice) and heading 4 (The EU as a global player).

In particular, the European Parliament and the Council urge the Commission to present by the end of September 2012 at the latest updated figures concerning the state of play and estimates regarding payment appropriations under sub-heading 1b and rural development under heading 2, and, if necessary, to present a draft amending budget.

The European Parliament and the Council will take position on any draft amending budget as quickly as possible in order to avoid any shortfall in payment appropriations. In addition, the European Parliament and the Council undertake to process swiftly any possible transfer of payment appropriations, including across financial framework headings, in order to make the best possible use of payment appropriations entered in the budget and align them to actual execution and needs."

2. Draft amending budget No 7/2011

"The European Parliament and the Council take note of the Commission's intention to present on 21 November 2011 draft amending budget (DAB) No 7/2011 for the mobilisation of the European Solidarity Fund, which is expected to amount to EUR 38 million, both in commitment and payment appropriations. The payment appropriations will be redeployed from "Rural development programmes" (budget Item 05 04 05 01).

The European Parliament and the Council will endeavour to take position on DAB No 7/2011 before the end of 2011, in accordance with their respective internal procedures."

3. Preventing measures for future crisis in the fruit and vegetable sector

"The E-coli crisis has highlighted the need for an appropriate response mechanism to market crisis within the EU. In this light, the European Parliament and the Council undertake to act swiftly on related transfer requests from the Commission or, after examination of the scope for reallocating authorised appropriations, on an amending budget to be proposed by the Commission in case of an exceptional market crisis in the fruit and vegetable sector requiring the definition of specific emergency measures as foreseen in Article 191 of Regulation No 1234/2007 ("Single CMO" Regulation), in the spirit of the Commission's proposal to dispose of mechanisms to prevent future crisis through producers organisations.

4. Financing of the ITER project

"The European Parliament and the Council agree to meet in a trilogue with the participation of the Commission on Wednesday 23 November 2011 afternoon to address the issue of the additional cost of the ITER project in 2012-2013, in order to arrive at an agreement before the end of the year.

The European Parliament and the Council invite the Commission to facilitate reaching an agreement on the additional financing needs of the ITER project, taking into account the concerns of both arms of the budgetary authority."

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2. **Draft amending budget No 6 to the general budget for 2011 - General statement of revenue - Statement of expenditure by Section - Section III - Commission**
17472/11 FIN 960 PE-L 148

The Council adopted its position on draft amending budget No 6 to the general budget for 2011, with the Netherlands and the United Kingdom delegations voting against.

3. **Draft amending budget No 7 to the general budget for 2011 – Statement of expenditure by Section – Section III – Commission**
17473/11 FIN 961 PE-L 149

The Council adopted its position on draft amending budget No 7 to the general budget for 2011, with the United Kingdom delegation abstaining.

4. **Council Directive on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States (Recast)**
10690/11 FISC 70

The Council adopted the above directive (Legal basis: Article 115 of the Treaty on the Functioning of the European Union).

5. **Legislative package on capital requirements and prudential supervision:**
- (a) **Proposal for a Directive of the European Parliament and of the Council on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC**
 - (b) **Proposal for a Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms**
- Presidency Progress report
17166/11 EF 161 ECOFIN 797 CODEC 2103

The Council took note of the progress report from the Presidency (doc. 17166/11).

AGENDA ITEMS

3. Economic governance

- Regulation of the European Parliament and of the Council on the strengthening of economic and budgetary surveillance of Member States experiencing or threatened with serious difficulties with respect to their financial stability in the euro area
- Regulation of the European Parliament and of the Council on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area
 - = Presentation by the Commission
 - 17230/11 ECOFIN 805 UEM 335 CODEC 2112
 - 17231/11 ECOFIN 806 UEM 336 CODEC 2113

The Commission presented its proposal for economic governance. The presentation was followed by an exchange of views by Ministers.

NON LEGISLATIVE ACTIVITIES - ADOPTIONS

(in accordance with Article 9(1) of the Council's Rules of Procedure)

8. **Council Regulation fixing for 2012 the fishing opportunities for certain fish stocks and groups of fish stocks applicable in the Baltic Sea and amending Regulation (EU) No 1124/2010**
16467/11 PECHE 330 OC 15

The Council adopted the above Regulation by qualified majority (Legal basis: Article 43(3) of the TFEU).

Joint Council and Commission Statements

Ad split of the herring stock

"The Council and the Commission agree that the TAC for the Western Baltic herring stock should be allocated between the Western Baltic and the Skagerrak based on a 50:50 split.

Efforts shall be undertaken to develop a methodology that would allow agreement on a TAC that safeguards the fishing opportunities on the mixed North Sea and Western Baltic herring stocks in the Skagerrak. This shall not affect relative stability in the North Sea."

Ad by-catch (Article 6)

"The Council and the Commission recognize that non-target species are inevitably represented as a by-catch in the unsorted landings of sprat fisheries using trawls, Danish seines or similar gears of a mesh size less than 32mm, and that these by-catches need to be quantified.

Member States using such gear will ensure appropriate sampling of by-catch data in these fisheries and will provide the relevant data to ICES and STECF in 2012. Member States will ensure that the sampling data are used for monitoring the quota uptake."

Ad long term plans

"Without prejudice to the Commission's right of initiative in legislative matters, the Council invites the Commission to propose a long term multispecies management plan that takes into account interactions between cod and pelagic species in the Baltic, as soon as practicable."

Ad salmon stocks

"The Council and the Commission agree that the alleged unreported salmon fishery should be addressed. Where unreported fishing exists it must be discontinued. Member States will enforce effectively the rules of the Common Fisheries Policy in the salmon fishery and will join forces in combating IUU activities by including control of salmon fisheries. MS concerned agree to carry out a control, inspection and surveillance programme concerning salmon fisheries (in accordance with Regulation 1224/2009) in the Baltic Sea. In addition, MS will ensure that the level of inspections in their ports shall cover at least 20% of all salmon and sea trout landings."

Ad plaice stock

"The Council and the Commission agree that the Commission will request ICES to identify gaps in data collection necessary to ensure that quantitative advice on the state of the plaice stock is provided in the future. Member States agree to improve data collection accordingly and ensure that the data are provided to scientists for the assessment of the status of the plaice stock."

Joint Estonian and Latvian statement concerning Joint Council and Commission statement No 4

Ad salmon stocks

"We fully recognise the content and the purpose of the statement in order to increase the efficiency to address the unreported activities in salmon fishing. According to common understanding the statements are not legally binding and cannot impose new legal obligations. Furthermore the interpretation of the last sentence is meant as an encouragement to the Member States concerned to increase inspection where alleged unreported fishing has been noted."

Joint Estonian and Latvian Statement

"Estonia and Latvia cannot support the political agreement during the October 2011 Council meeting in Luxembourg on the «proposal for the Council regulation fixing for 2012 the fishing opportunities for certain fish stocks and groups of fish stocks applicable in the Baltic sea».

In accordance to our international commitments the TACs should be set in a consistent manner based on stepwise transition towards MSY, where possible until 2015. For certain stocks the TAC reductions were too severe, namely for sprat, herring in the main basin and herring in the Gulf of Riga as well as salmon in the main basin. According to scientific background and existing knowledge in fisheries management the MSY for these stocks which are relatively in good shape and with stable status could be reached with smaller cuts. By such approach we could still maintain reasonably high stock levels and in the same time provide certain degree of stability for sector.

Therefore adopted TAC reductions do not follow the abovementioned principle and break the balance between biological, economical and social conditions. Based on the common position and the abovementioned arguments Estonia and Latvia cannot support the proposal and vote against."

Statement by Finland

"Finland cannot support the political agreement reached during the October 2011 Council meeting in Luxembourg on the proposal for a Council regulation fixing for 2012 the fishing opportunities for certain fish stocks and groups of fish stocks applicable in the Baltic Sea.

In accordance with international commitments a transition with equal steps towards MSY 2015 has for some years been the leading policy in setting TACs. The political agreement results in reductions of the TACs for herring in the Main Basin and Gulf of Finland, herring in the Gulf of Riga and salmon in the Main Basin and Gulf of Bothnia as well as sprat that are unnecessarily large and not in line with the policy of a stepwise transition.

For the abovementioned reasons Finland abstains from voting.

Finland furthermore wishes to emphasise the importance of the joint Council and Commission statement on salmon (4. ad salmon stocks) and of the need to take urgent actions to eliminate unreported salmon fishing. Finland interprets the last sentence in the statement as a political encouragement to increase inspection levels when and where there is an indication of unreported salmon fishing."

Statement by Sweden

"ICES MSY advice for the entire Western Baltic spring-spawning herring stock is a reduction by 2 %.

In the Council Regulation, the TAC for herring in the Western Baltic (area 22-24) is increased by 32 %, based on a 50:50 split of the western spring-spawning herring stock between the Western Baltic and the Skagerrak/Kattegat. In Sweden's opinion this would presuppose a reallocation of fishing opportunities from the Skagerrak and Kattegat (area IIIa).

Such a reallocation of fishing opportunities can be acceptable only as part of a comprehensive solution that includes all the parties concerned.

Sweden therefore votes against the proposal for a Council Regulation fixing for 2012 the fishing opportunities in the Baltic Sea."

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