



**COUNCIL OF
THE EUROPEAN UNION**

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ADD 1**

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ADDENDUM to DRAFT MINUTES

Subject: **3177th** meeting of the COUNCIL OF THE EUROPEAN UNION
**(EMPLOYMENT, SOCIAL POLICY, HEALTH AND CONSUMER
AFFAIRS)** held in Luxembourg on 21 and 22 June 2012

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LEGISLATIVE DELIBERATIONS

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

"A" ITEMS

Proposal for a Directive of the European Parliament and of the Council on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (Accounting Directive) [First reading] (LA)

= General approach

11442/12 DRS 94 COMPET 452 ECOFIN 613 CODEC 1683

approved by Coreper, Part 1, on 19.06.2012

The Council agreed on a general approach on the directive proposal.

BG, EE, ES and PT voted against and FR abstained.

The Council took note of the oral statement by BG with regard to the reasons for its vote.

AGENDA ITEMS

4. Legislative initiatives for Posting of Workers

(a) Proposal for a Directive of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services [First reading]

8040/12 SOC 224 MI 193 COMPET 168

+ COR 1

(b) Proposal for a Council Regulation on the exercise of the right to take collective action within the context of the freedom of establishment and the freedom to provide services

8042/12 SOC 226 MI 194 COMPET 169

- Progress report

10571/12 SOC 460 MI 387 COMPET 356 CODEC 1477

+ COR 1

The Council took note of the Progress report as set out in doc. 10571/12 + COR 1, of the information provided by the Commission with regard to the yellow card procedure (Protocol 2 to the TEU) and of the statement by FR on the relationship between the right to strike and the free provision of services in the framework of the Monti II proposal.

5. Proposal for a Regulation of the European Parliament and of the Council on the European Union Programme for Social Change and Innovation [First reading]

- Partial general approach
15451/11 SOC 869 ECOFIN 679 COMPET 441 CADREFIN 98 CODEC 1673
+ REV 1 (pt)
10211/1/12 SOC 394 ECOFIN 428 COMPET 302 CADREFIN 264
CODEC 1388 REV 1

The Council reached a partial general approach on the text of the draft Regulation as set out in doc. 10211/1/12 REV 1. The UK delegation made a statement to be entered in the Council minutes.

Statement by the UK

"The Presidency has made it clear that progress in negotiating individual sectoral regulations should not prejudice the outcome of the overall Multiannual Financial Framework discussion.

The UK firmly agrees with this principle and it is only on this basis that we can participate in this decision today. Our top priority in this negotiation is budget size and this will guide our future position."

6. Proposal for a Regulation of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014-2020) [First reading]

- Progress report
15440/11 SOC 867 ECOFIN 678 FSTR 56 COMPET 440 CODEC 1672
10490/12 SOC 428 ECOFIN 446 FSTR 48 COMPET 324 AGRI 353
CODEC 1465
+ COR 1

The Council took note of the Progress report set out in doc. 10490/12 + COR 1. A number of Member States reiterated their positions on the file.

7. Proposal for a Directive of the European Parliament and of the Council on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields) (XXth individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC) [First reading]

- Progress report
11951/11 SOC 598 CODEC 1075
+ COR 1
10690/1/12 SOC 471 CODEC 1516 REV 1
+ COR 1

The Council took note of the Progress report set out in doc. 10690/1/12 REV1 + COR 1.

8. **Proposal for a Council Directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation**
- Progress report
11531/08 SOC 411 JAI 368 MI 246
8724/12 SOC 278 JAI 252 MI 246 FREMP 59

The Council took note of the progress report set out in doc. 8724/12.

NON LEGISLATIVE ACTIVITIES - PUBLIC DEBATES
(in accordance with Article 8(2) of the Council's Rules of Procedure)

9. **Europe 2020 Strategy: Contribution to the European Council (28-29 June 2012) – European Semester**
- Policy debate
10885/12 SOC 498 ECOFIN 513 EDUC 158

The Council held a policy debate, based on the Presidency questionnaire (doc. 10885/12), on the European Semester, in particular on the CSRs and the Employment Package.

The Council welcomed in general the overall approach of the Commission on the recommendations. Delegations stressed that they were a useful instrument in guiding policy responses to the current labour market challenges. However, many of them expressed dissatisfaction and concerns regarding the process and the substance, most particularly regarding the need for more time to be allocated to the process (allowing also for more consultations with the Commission), clearer procedures and voting rules, and most particularly insisting on not undermining EPSCO's role in cross-cutting issues (pensions, wage-setting mechanisms and tax wedge on labour).

The policy debate included various aspects of the Employment Package, linked to the overall EU 2020 objectives.

- (i) **Draft Council Recommendations on the National Reform Programmes 2012 to each Member State (and draft explanatory note)**
- Approval (Article 148 TFEU)
10572/12 UEM 143 ECOFIN 478 SOC 461 COMPET 357 ENV 443 EDUC 151
RECH 203 ENER 230
11296/12 UEM 230 ECOFIN 604 SOC 580 COMPET 448 ENV 545 EDUC 221
RECH 284 ENER 314
11109/12 UEM 196 ECOFIN 559 SOC 543 COMPET 411 ENV 505 EDUC 191
RECH 251 ENER 279
11321/12 UEM 231 ECOFIN 606 SOC 581 COMPET 449 ENV 550 EDUC 222
RECH 285 ENER 315

The Council approved the employment related aspects of the recommendations (indicated in bold in the documents listed in doc. 11296/12 REV 2) and the accompanying explanatory document (doc. 11321/12 REV 2).

A compromise was found for the requests of some delegations, outlined in document 11109/12, introducing minor amendments. Four delegations (BE, BG, CY, PL) issued statements to the Council minutes (see annex below). Five delegations asked for their concerns to be brought to the attention of ECOFIN.

BE maintained a reservation on CSR 2 and CSR 4 (to be dealt with by ECOFIN). UK maintained a parliamentary scrutiny reservation on all the Recommendations. These reservations were outlined in doc. 11735/12, transmitted to the General Affairs Council of 26 June.

Statement by Belgium

Statement relating to recommendation 2:

"Belgium is determined to preserve the viability of its pension system taking into account changes in life expectancy, primarily by taking measures which will lead to an increase in the effective retirement age".

Statement relating to recommendation 4:

"Belgium will ensure that wage growth reflects developments in productivity and competitiveness, but it considers that the recommendation as worded is too prescriptive".

We are standing by our reservation on this recommendation. We had presented the following text: "To boost job creation and competitiveness, take steps to reform, in consultation with the social partners and in accordance with national practice, the system of wage bargaining **taking into account** wage indexation [...] **and ensuring** that wage growth better reflects developments in labour productivity and competitiveness [...], **and stimulate life long learning and innovation.**"

Statement by Poland

"Poland is of the opinion that its Country Specific Recommendation adequately reflects the national challenges and priorities. However, Poland considers that the extension of the probationary period to permanent contrast in the recommendation nr 3 is not coherent with the Polish labour law.

Poland notes that any changes in this respect require prior consultations with the social partners."

Statement by Bulgaria

Country Specific recommendation 3:

"Accelerate the implementation of the national Youth Employment Initiative. Ensure that the minimum thresholds for social security contributions do not discourage declared work. Step up efforts to improve the Public Employment Service's performance. ~~To Alleviate~~ **Alleviate** poverty **by taking further steps to**, improve the effectiveness of social transfers and the access to quality social services for children and the elderly. ~~and implement~~ **Implement** the National Roma Integration Strategy.

Justification:

We consider that Bulgaria has undertaken the necessary steps regarding the effectiveness of the social transfers and social services. In times of crisis, limited financial resources and more strict budgetary discipline there is no decrease in the type of the social transfers and the amount of some of transfers was even increased. The number of social services in the community for vulnerable groups has increased significantly. We do not support the current amendment of sentence 4 containing listing, i.e. besides alleviating poverty Bulgaria has to improve the effectiveness of social transfers and the access to quality social services. Our proposal for amendment is more precise and it is in compliance with the approach used in the case of the recommendations of the other member-states."

Statement by Cyprus

"The Spring European Council 2011 Conclusions stress the fact that for issues falling under national competency, common policy objectives will be agreed upon at the Heads of State or Government level and Member States will pursue these objectives with their own policy-mix, taking into account their specific challenges.

As regards CSR 3, Cyprus reiterates its position that increasing of contribution years and linking of the retirement age to life expectancy are not the only measures that may contribute to the long term sustainability of the pension system. Other measures could equally contribute towards this target, always in consultation with the social partners.

Cyprus, as it is already noted in the Country Specific Recommendations, has already adopted a number of reform measures which is expected to have more than an equivalent budgetary effect on public finances than linking the retirement age with life expectancy in the long term.

Regarding CSR 7 on competitiveness and wage indexation Cyprus re-instates its commitment in the Euro Plus Pact to embark on a social dialogue on COLA in order to make it more balanced and equitable. The dialogue with social partners is well under way and should conclude shortly.

The fact remains though that for Cyprus, COLAS is not one of the major factors that affect competitiveness and this is confirmed by the in depth review of the Commission.

In view of the above, we have submitted amendments concerning CSR 3 and 7 for Cyprus."

(ii) Examination of the National Reform Programmes (2012) and the implementation of the 2011 Country-Specific Recommendations

- Endorsement of the joint opinion of the Employment Committee and of the Social Protection Committee
10886/12 SOC 499 ECOFIN 514 EDUC 159

The Council endorsed the joint Opinion contained in doc. 10886/12.

(iii) Employment Performance Monitor

- Endorsement of the Monitor of the Employment Committee
10884/1/12 SOC 497 ECOFIN 512 EDUC 157 REV 1

The Council endorsed the Monitor of the Employment Committee contained in doc. 10884/12 REV 1.

(iv) Employment Package

- Policy debate
9309/12 SOC 317 ECOFIN 370 EDUC 99 JEUN 37 COMPET 221 MI 272
+ ADD 1 - ADD 9

(see item 9 above)

10. Pensions adequacy: Report from the Social Protection Committee

- Endorsement of main messages
10488/12 SOC 426 ECOFIN 445
+ REV 1 (hu)

The Council endorsed the main messages of the report from the Social Protection Committee on Pensions Adequacy as set out in doc. 10488/12

11. Responding to Demographic Challenges through enhanced participation in the labour market and society by all

- Adoption of Council conclusions
10489/2/12 SOC 427 REV 2

The Council adopted the conclusions as set out in doc. 10489/2/12 SOC 427 REV 2.

The final version of the conclusions is to be found in doc.11639/12.

12. Gender equality and the environment: enhanced decision-making, qualifications and competitiveness in the field of climate change mitigation policy in the EU

- Adoption of Council conclusions
8876/12 SOC 287 ENV 293 EDUC 93 RECH 119
+ REV 2 (hu)

The Council adopted the conclusions as set out in doc. 8876/12.

The final version of the conclusions is to be found in doc. 11638/12.

15. The impact of antimicrobial resistance in the human health sector and in the veterinary sector-a "One Health" perspective

- Adoption of Council conclusions
10347/12 SAN 124 AGRI 344 VETER 40
+ REV 1 (nl)
+ COR 1

The Council adopted conclusions as set out in doc. 10347/12, its REV 1(nl) and COR 1. The text of the conclusions will be published in the EU Official Journal.

LEGISLATIVE DELIBERATIONS

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

13. Proposal for a Regulation of the European Parliament and of the Council on establishing a Health for Growth Programme, the third multi-annual programme of EU action in the field of health for the period 2014-2020 [First reading]

- Partial general approach
16796/11 SAN 241 PHARM 4 MI 562 CADREFIN 128 CODEC 2002
10769/12 SAN 139 PHARM 43 MI 402 CADREFIN 285 CODEC 1530

The Council reached a partial general approach as set out in doc. 10769/12. Hungary and the Commission made statements, concerning Article 7.3(c) of the draft Regulation, to be entered in the minutes of the Council meeting.

Statement by Hungary

"Hungary regrets that the Commission's proposal on Article 7, paragraph 3, point (c) has not received support by the Member States. Hungary is of the view that the compromise text of Article 7, paragraph 3, point (c) will not result in real benefits for those Member States which have had relatively limited access to Union funding from the second programme of Community action in the field of health (2008-13). The participation level of lower income Member States in Joint Actions under the Health Programme will not be improved significantly compared to Member States of higher Gross National Income (GNI). For these reasons Hungary is not able to support the compromise proposal of the Presidency, but maintains its position and supports the Commission proposal at this point."

Statement by the European Commission

"The Commission reserves its position on the entire text of the partial general approach. It regrets in particular the changes suggested to art 7.3.c in relation to the financing of EU added-value actions co-financed by the Member states (as defined in art.7.2.a). The provision in the Commission proposal aimed at creating an incentive to ensure a wider participation of the Member States with a GNI lower than 90% of the EU average in such actions. The text retained in the general approach will not achieve this result. The mechanism proposed will create a situation where actions will easily comply with the criteria for increased co-financing of up to 80% for all MS participating in the joint action, thus reducing the number of such actions that can be done unless the budget of other actions is severely affected. The Commission also points out that the position taken on this file is inconsistent with the position taken by the representatives of the same Member States in the negotiations on the structural funds where they oppose any increase in the co-financing rate beyond 75%."

14. Proposal for a Decision of the European Parliament and of the Council on serious cross-border threats to health [First reading]

- Orientation debate

18509/11 SAN 273 PHARM 8 PROCIV 169 CODEC 2404

10770/12 SAN 140 PHARM 44 PROCIV 87 CODEC 1531

The Council held an orientation debate based on the Presidency questionnaire in doc. 10770/12.

There was a general support to the Presidency compromise text in the Annex of 10770/12, without however an agreement on this text as further work is needed at technical level.

Concerning questions put for the debate, the Council:

- Agreed to give a legal basis to the Health Security Committee (HSC). However, there was no agreement whether the HSC should be composed of nominated high-level representatives of the Member States or as a flexible body meeting at different levels and attended by representatives nominated by national public health authorities depending on the category of threat (Articles 17 and 19).
- Supported the deletion of Article 12 of the proposal, thus not agreeing to give to the Commission the possibility to adopt common temporary health measures by delegated acts. Such measures should rather be agreed by the HSC.
- Supported deletion of Article 16, thus not agreeing to give a mandate to the Commission to conclude international agreements covering the area of serious cross-border health threats.
- Did not support the possibility for the Commission to issue recommendations for coordination among MS on their capacities for the monitoring, early warning and response to cross-border health threats (Article 4(1)).