



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 11 September 2013
(OR. en)**

**11370/13
ADD 1**

**PV/CONS 33
SOC 522
SAN 233
CONSOM 132**

DRAFT MINUTES

Subject: **3247th**meeting of the Council of the European Union (**EMPLOYMENT, SOCIAL POLICY, HEALTH AND CONSUMER AFFAIRS**) held in Luxembourg on 20 and 21 June 2013

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LEGISLATIVE DELIBERATIONS

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

"A" ITEMS

- 1. 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) (20th individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC) and repealing Directive 2004/40/EC [First reading] (LA + S)**

PE-CONS 19/13 SOC 236 CODEC 794 OC 206

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, the German delegation voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 153(2) of the TFEU)

Statement by Austria

"The Directive on Electromagnetic Fields (EMF) aims at the protection of health and safety of workers against the effects of electromagnetic fields. For this purpose, the directive is based on article 153(2) TFEU, which provides the legal basis for directives laying down minimum requirements in the field of protection of health and safety of employees at the workplace.

Article 4(1) of the directive on EMF defining the employer's obligation to make risk assessments public on request cannot be considered as protection of health and safety of workers.

Article 4 (1) falls within the competence of "Public Health" however article 168 TFEU does not provide the appropriate legal basis for the directive on EMF.

To this end, article 4(1) is not compatible with Article 153(2) TFEU and the directive should not contain the provision in Article 4(1)."

Statement by Germany

"The Federal Republic of Germany rejects the proposal for a Directive on the minimum health and safety requirements regarding the exposure of workers to the risks arising from electromagnetic fields.

For the evaluation of pulsed electromagnetic fields at the workplace, the proposal for a directive only allows for the so-called "weighted peak method" cited in Annex II as a reference method. Alternative and less conservative evaluation methods, however, equally allow for a reliable safety evaluation of technical applications in operation, thus ensuring a comparably high level of protection of the health and safety of workers.

In Germany, these evaluation methods have been applied successfully for more than ten years already by companies, enforcement authorities and the occupational accident insurance funds (BGs); they guarantee a comparably high level of protection of the health and safety of workers. If the application of the "weighted peak method" becomes the compulsory method, negative economic consequences cannot be excluded in connection with the application of many technical processes (e.g. resistance welding, electrolysis, electroplating) while at the same time there is no gain in safety for the workers.

In the negotiations the Federal Government always supported the idea that the Directive should also approve other recognised evaluation methods, which allow for a safety assessment of the technical applications in operation and at the same time guarantee a high level of protection for workers."

2. 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, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC [First reading] (LA + S)

PE-CONS 20/13 DRS 73 COMPET 219 ECOFIN 276 CODEC 852 OC 230

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, the Estonian and Hungarian delegations voting against and the Bulgarian, Spanish and Portuguese delegations abstaining, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 50(1) of the TFEU)

Statement by Bulgaria

"The Republic of Bulgaria supports the objectives of the proposal for new Accounting Directive:

1. The reduction of administrative burden/simplification targeting mainly small companies;
2. To increase of the clarity and comparability of the financial statements;
3. The protection of essential user needs aiming at retaining necessary accounting information for users;
4. The increased transparency on payments made to governments by the extractive industry and loggers of primary forests.

The Republic of Bulgaria supports in principle the Proposal for full harmonisation of the categories small, medium-sized and large undertakings and groups within the European Union.

The Republic of Bulgaria could not support the final text of the proposal for a new Accounting Directive (doc. 8328/13), as the proposed thresholds for “small undertakings” and “small groups of undertakings” regulated in Article 3, paragraphs 1 and 4 of the proposal are very high for Bulgaria.

The Republic of Bulgaria could support a proposal for decreasing of the thresholds for the above-mentioned categories, namely:

Small undertakings and small groups of undertakings are undertakings which on their balance sheet dates do not exceed the limits of two of the three following criteria:

- Balance sheet total: EUR 2 500 000 (the final proposal being EUR 4 000 000);
- Net turnover: EUR 5 000 000 (the final proposal being EUR 8 000 000);
- Average number of employees during the financial year: 50.

The request for decreasing the thresholds is consistent with the actual economic situation in Bulgaria, the analyses of officially published financial statements of the operating undertakings and analysis of statistical data and the information submitted to the revenue authorities of the National Revenue Agency. From the existing in 2011 366,000 undertakings, only 5,292 (including 756 - large undertakings and 4,536 - medium-sized undertakings) would fall into the categories medium-sized and large undertakings according to the indicators proposed. The relative share of the medium-sized and large undertakings to all operating undertakings will be 1.45%. The remaining 98.55% will fall into the category “small undertakings”.

The Republic of Bulgaria considers that such categorisation of the undertakings would not achieve two of the key objectives set out in the Proposal for a directive, namely protection of essential user needs aiming at retaining necessary accounting information for users and reduction of administrative burden/simplification targeting mainly small companies.

Approximately 99% of all undertakings operating in the country will have to apply a regime of limited disclosure of information on financial and property status. The regime of limited disclosure could not provide the necessary information for certain categories of users of financial accounting information – revenue authorities of the NRA, credit institutions, investors, shareholders, etc. Small undertakings will have to provide additional accounting information to the above-mentioned users, which in practice will not result in reduction of the administrative burdens as expected from the implementation of the regime of limited disclosure.

On the grounds of the above, the Republic of Bulgaria votes “abstention” on the 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.”

Statement by Estonia

"Estonia decidedly supports key objectives of the proposal, including:

- 1) reduction of administrative burden for small companies;
- 2) increased clarity and comparability of financial statements and
- 3) protection of users of financial statements by retaining necessary accounting information.

Therefore, we are all the more disappointed having to express our strong opposition to the final version of the directive, which in our case would seriously damage those very objectives it professes to seek.

In order to cut administrative burden shouldered by small companies, the directive forbids Member States to require anything but most limited information in their financial statements - to the extent that calls conformity to the principle of true and fair view into question. This is a significant problem for a number Member States, including Estonia, where SMEs account for approximately half of all economic activity. Resulting reduction in transparency of economic environment shall undoubtedly undermine trust and create problems raising capital. That reduction of administrative burden thus gained would be more than offset by increase in other kinds of reporting duties, solvency problems, bankruptcies and litigations is a view shared also by Estonian business community. We believe that principle of true and fair view needs to take primacy over any other consideration and that reduction of administrative burden must not happen at the expense of clarity and best accounting practices but through streamlining reporting processes and integration of public databases.

Approach chosen in the directive is especially counterproductive to us. While Estonia has striven to foster accounting framework closely based on international financial reporting standards (IFRS) and its sister-standard, IFRS for SMEs, we have in parallel also paid great attention to easing administrative burden through innovation and elimination of duplicate submissions. We have developed a one-stop web portal to, *inter alia*, prepare and submit electronic annual accounts, providing both tax and statistics related information, which has been recognized as the world's best e-government solution of the last decade by *United Nations World Summit on the Information Society* and very positively received by our companies.

Scrapping this well-functioning system in favor of abstaining from collecting relevant financial information altogether or collecting the same info several times via different channels would represent a step backwards with regards to every purported objective of the directive as well as a deviation from what are internationally considered best practices. The latter is a concern that goes further than the problems faced by Estonia, having troubling implications for long-term success of entire Union."

Statement by Portugal

"Since the start of the negotiations, Portugal has been warning about the negative impact of this legislative proposal, which proposes maximum harmonisation for small entities.

While our support for the principle of reducing administrative costs for small entities is not in question, the introduction of a harmonised concept of a small entity introducing a threshold under which 95 % of Portuguese undertakings fall, together with the impossibility of Member States demanding additional documents except for the purposes of tax information, is clearly ill-adapted to our real economic situation. In addition, these exemptions may jeopardise the transparency, security and credibility of undertakings' financial statements for all users.

Transposition of this text into national law will inevitably entail alteration of the standardised national accounting system adopted in 2010 with the aim of bringing national accounting standards into line with the various International Accounting Standards, thereby ensuring consistency between the accounting principles and concepts of undertakings in Portugal. The IT platform for the provision of information by undertakings will also have to be altered.

Portugal consequently regrets that the alternative solutions that it proposed during the negotiations for greater flexibility in the provision of information by small entities have not been taken into consideration in this text."

3. **Directive of the European Parliament and of the Council amending Directive 2003/98/EC on the re-use of public sector information [First reading] (LA)**
PE-CONS 18/13 TELECOM 70 PI 54 COMPET 204 AUDIO 30 CULT 33
CODEC 792 OC 205

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 114 of the TFEU)

4. **Regulation of the European Parliament and of the Council concerning the establishment of 'Eurodac' for the comparison of fingerprints for the effective application of Regulation (EC) No .../...establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person and on requests for the comparison with Eurodac data by Member States' law enforcement authorities and Europol for law enforcement purposes, and amending Regulation (EU) No 1077/2011 establishing a European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (recast) [First reading] (LA + S)**
PE-CONS 17/13 EURODAC 6 ENFOPOL 101 CODEC 759 OC 193

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, the Maltese delegation abstaining, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. In accordance with the relevant Protocols annexed to the Treaties, the Danish and the Irish delegations did not participate in the vote. (Legal basis: Articles 78 (2)(e), 87(2)(a) and 88(2)(a) of the TFEU)

Statement by the Council

"The Council notes that in so far as the amendments to the Eurodac Regulation (recast) concern the procedures for comparison and data transmission for law enforcement purposes as laid down in Articles 5, 6, 19 to 22, 33, 36, 39(3), 40(7) and 43 of the Regulation, these amendments, which are based on police cooperation legal bases (Articles 87(2)(a) and 88(2)(a) TFEU), do not constitute a development building upon the provisions of Eurodac within the meaning of the agreements concluded by EU with Denmark, Norway, Iceland, Switzerland and Liechtenstein, and therefore fall outside of the scope of the said Agreements which have been concluded only for asylum purposes (for determining which State is responsible for considering an application for asylum or subsidiary protection, Article 78(2)(e) TFEU). Therefore, the provisions of the said agreements do not apply to the above listed articles of the Regulation. Once the Eurodac Regulation is adopted, the Commission may, as appropriate, submit recommendations for a Council decision authorising the opening of negotiations for complementing the said agreements to also cover the above listed law enforcement articles."

5. Regulation of the European Parliament and of the Council on prudential requirements for the credit institutions and investment firms and amending Regulation (EU) No 648/2012 [First reading] (LA + S)
PE-CONS 14/13 EF 58 ECOFIN 229 CODEC 694 OC 174

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, the United Kingdom delegation voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 114 of the TFEU)

Statement by the Commission

"Article 458 of the Regulation:

The modifications made to this Article would permit the creation of 27 different national approaches on key elements of the single rule book such as own funds, risk weights and exposure limits. Moreover, in an area governed by co-decision where implementing powers are normally conferred on the Commission, implementing powers relating to national deviations from an EU regulation would be conferred exclusively on the Council, and the Commission be reduced to a mere advisory role, along with EBA and ESRB.

To ensure compatibility with Article 114 TFEU, the Commission is of the opinion that Article 458, paragraph 4 must be interpreted as requiring that, upon receipt of a proposal from the Commission, the Council must always adopt a reasoned decision within the prescribed deadline. The last sub-paragraph of Article 458, paragraph 4, which establishes the legal position of the Member State concerned where the Council wrongfully fails to act, cannot be interpreted as releasing the Council from its obligation to act in accordance with the fifth sub-paragraph of Article 458, paragraph 4, namely the obligation to always adopt a reasoned decision. In the absence of such a reasoned decision of the Council, the last sub-paragraph of Article 458, paragraph 4, would permit derogations disproportionate with respect to the harmonisation achieved by the Regulation without allowing judicial review, which would be contrary to Article 114 TFEU. The Commission therefore reserves the right to bring the matter before the Court of Justice where the Council would ignore the legal obligations imposed upon it by Article 458, paragraph 4, and in particular where it would not adopt a reasoned decision within the prescribed deadline."

Statement by the United Kingdom

"The UK cannot support:

- (a) The 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, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC
- (b) The Proposal of a Regulation of the European Parliament and the Council on prudential requirements for the credit institutions and investment firms and amending Regulation (EU) n° 648/2012

A future statement will be made in due course, setting out our reasons for voting against."

6. Directive of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC [First reading] (LA + S)

PE-CONS 15/13 EF 59 ECOFIN 230 CODEC 695 OC 175

The Council approved the amendments set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, the United Kingdom delegation voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 53(1) of the TFEU)

Statements by the Commission

"Article 133 (14) of the Directive:

The Commission regrets that, in the context of the modalities around the conferral on EBA of binding settlement powers as regards higher buffer requirements established by a national authority, the fact that a recommendation of the Commission is given the same weight as that of the ESRB does not reflect the correct institutional balance between the ESRB and the Commission."

"Article 162(1) of the Directive:

The Commission considers that Article 162(1) is not in compliance with Article 260(3) TFUE, which provides for the obligation upon Member States "to notify measures transposing a directive adopted under a legislative procedure". Since the Commission interprets such a provision of the Treaty as imposing upon Member States to notify to the Commission all measures aimed at transposing a directive, it will require Member States to communicate to the Commission all laws, regulations and administrative provisions necessary to comply with CRD IV."

Statement by Austria

"The Austrian constitutional law presently does not allow for administrative pecuniary sanctions in the amount provided for in Article 66 para 2 (c) to (e) and Article 67 para 2 (e) to (g) CRD. Therefore, currently we cannot commit to the implementation of this provision, as implementation would require an amendment to constitutional law. It is not predictable whether such an amendment to the Constitution will be adopted."

Statement by the United Kingdom

"The UK cannot support:

- (a) The 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, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC
- (b) The Proposal of a Regulation of the European Parliament and the Council on prudential requirements for the credit institutions and investment firms and amending Regulation (EU) n° 648/2012

A future statement will be made in due course, setting out our reasons for voting against."

7. **Regulation of the European Parliament and of the Council amending Regulation (EC) No 562/2006 of the European Parliament and of the Council establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code), the Convention implementing the Schengen Agreement, Council Regulations (EC) No 1683/95 and (EC) No 539/2001 and Regulations (EC) No 767/2008 and (EC) No 810/2009 of the European Parliament and of the Council [First reading] (LA + S)**
PE-CONS 3/13 FRONT 3 COMIX 24 CODEC 79 OC 20

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. In accordance with the relevant Protocols annexed to the Treaties, the Danish, the Irish and the United Kingdom delegations did not participate in the vote (Legal basis: Article 77(2) of the TFEU).

Statement by Slovenia

"The Republic of Slovenia expresses its commitment to comprehensive implementation of the proposed changes of the Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006 establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code) and the Convention implementing the Schengen Agreement (2011/0051 (COD)). However, at the same time it wishes to point out possible consequences of the changes to Article 21, paragraph d, of the Schengen Borders Code and Article 22 of the Convention.

The existing obligation for third-country nationals to register their presence to the competent authorities of a Member State presents a crucial connection between a third country national and a Member State. The amendment of the Articles mentioned above transforms this obligation into a possibility for a Member State to regulate this issue in its national legislation. We believe that non-harmonised rules in Member States could have an unfavourable effect on the management of migration flows and consequently on the level of internal security in Member States and in the Union."

Statement by Hungary

"Hungary considers that the amendments to the Schengen Borders Code constitute a timely and important development and valuable addition to the tools at the Member States' disposal in the protection and management of the Union's external borders. During the deliberations, Hungary has actively contributed to the text with significant proposals. However, as regards certain provisions in the text of the draft Regulation put on the agenda of the Council by the Presidency concerning the content of bilateral agreements with third countries, notably in Annex VI, Hungary has concerns as regards the revision of existing bilateral agreements; which can have a negative effect on already ongoing cooperation with third countries in the course of border checks, based on recently concluded and finalized bilateral agreements."

AGENDA ITEMS

6. 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]

Interinstitutional file 2012/0061 (COD)

– Progress report

8040/12 SOC 224 MI 193 COMPET 168 CODEC 833

+ COR 1

10430/13 SOC 419 MI 496 COMPET 396 CODEC 1318

+ ADD 1

+ ADD 1 COR 1

+ ADD 1 COR 2

+ ADD 1 COR 3

This item was moved to the any other business part of the agenda.

The Council took note of the Progress report set out in doc. 10430/13 and addenda.

7. Amended proposal for a Directive of the European Parliament and of the Council on minimum requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights [First reading]

Interinstitutional file 2005/0214 (COD)

– General approach

13857/1/07 SOC 368 CODEC 1062 REV 1

+ REV 1 COR 1

10890/13 SOC 463 ECOFIN 543 CODEC 1444

+ ADD 1

+ ADD 2

The Council reached a general approach on the proposed Directive as set out in doc. 11459/13.

Greece, Cyprus, Malta and Slovakia maintained linguistic scrutiny reservations. Malta and the United Kingdom maintained parliamentary scrutiny reservations. The Council and the Commission issued a statement as set out in doc. 10890/13 ADD 2 to be entered in the minutes of the Council.

Statement by the Council and the Commission

"This Directive does not provide for the acquisition and preservation of supplementary pension rights of workers moving within a single Member State. However, Member States are encouraged to ensure the equal treatment of scheme members who change employment within a single Member State and those who exercise their right to free movement from one Member State to another."

8. Proposal for a Regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived [First reading]

Interinstitutional file 2012/0295 (COD)

– Progress report

15865/1/12 SOC 902 FSTR 70 CADREFIN 455 REGIO 122

CODEC 2594 REV 1

10896/13 SOC 465 FSTR 59 CADREFIN 139 REGIO 124 CODEC 1446

The Council took note of the Progress report set out in doc. 10896/13.

13 delegations intervened on the mandatory/voluntary participation in the FEAD. While one group of 6 Member States and Commission defended the original proposal (mandatory); another group of 4 Member States reiterated their position that the fund must be voluntary. A third group of 3 Member States reiterated their flexibility, although 2 of them would prefer the mandatory option. Those member States which requested the fund to be made available for all stressed that a solution must be found urgently.

10. Proposal for a Regulation of the European Parliament and Council on the European Globalisation Adjustment Fund [First reading]

Interinstitutional file 2011/0269 (COD)

– General approach

15440/11 SOC 867 ECOFIN 678 FSTR 56 COMPET 440 CODEC 1672

10895/13 SOC 464 ECOFIN 544 FSTR 58 COMPET 455 AGRI 381

CODEC 1445

The Council held a public deliberation on the basis of a Presidency note (doc. 10895/13) on the future European Globalisation Adjustment Fund (2014-2020) and reached a general approach as set out in doc. 11484/13.

11. Proposal for a Directive of the European Parliament and the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures [First reading]

Interinstitutional file 2012/0299 (COD)

– Progress report

16433/12 SOC 943 ECOFIN 708 DRS 130 CODEC 2724

10422/1/13 SOC 417 ECOFIN 453 DRS 110 CODEC 1314 REV 1

This item was moved to the any other business part of the agenda.

The Council took note of the progress report as set out in doc. 10422/1/13 REV 1, and also of the following statement by several delegations.

Statement by Denmark, Germany, Estonia, Hungary, Latvia, The Netherlands, Czech Republic, The United Kingdom, Sweden and Slovakia

"On 14 November 2012, the Commission adopted a proposal for a Directive of the European Parliament and of the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures. Aiming to address the serious problem of women's under-representation in economic decision-making at the highest level, the proposed Directive would set a quantitative objective for the proportion of the under-represented sex on the boards of listed companies of 40% by 2020 (by 2018 in the case of public undertakings). The companies would be obliged to work towards that objective, *inter alia*, by introducing procedural rules on the selection and appointment of non-executive board members.

We share the Commission's view that, both in the Member States and throughout Europe, fair chances and opportunities for women in non-executive posts should and must be promoted. Women encounter throughout their career lots of barriers, which are unacceptable from a gender equality point of view. They are also preventing the optimal use of the skilled workforce potential.

However we take the viewpoint that, in line with the subsidiarity and proportionality principle, with regard to the different company law systems and different corporate managerial rights throughout the European Union, it is in the authority of the Member States to find their own national approaches to achieving this goal. Many of the Member states are considering or have implemented various and differing national measures tailored to their system on a voluntary and, if appropriate, legal basis to facilitate raising the gender balance in boardrooms.

For these reasons, we reiterate that any targeted measures in this area have to be devised and implemented at national level. We do not support the adoption of legally binding provisions for women on company boards at the European level."

12. Proposal for a Council Directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation [First reading]

Interinstitutional file 2008/0140 (CNS)

– Progress report

11531/08 SOC 411 JAI 368 MI 246

10039/13 SOC 369 JAI 422 MI 447 FREMP 71

This item was moved to the any other business part of the agenda.

The Council took note of the Progress report set out in doc. 10039/13.

14. Proposal for a Directive of the European Parliament and of the Council on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco and related products [First reading]

Interinstitutional file: 2012/0366 (COD)

– General approach

18068/12 SAN 337 MI 850 FISC 206 CODEC 3117

10382/13 SAN 196 MI 495 FISC 117 CODEC 1308

The Council reached a general approach on the basis of the text in doc. 10382/13 as amended at the meeting (the final text is in doc. 11483/13), with Poland, Czech Republic, Bulgaria and Romania indicating their opposition.

The Council also took note of the statements by Sweden and France to be entered into the Council minutes (as set out below).

Statement by Sweden

"Sweden strongly supports obligatory health warnings on tobacco packages, but the proposed increase in size of these warnings may pose great difficulties in terms of compatibility with the Swedish constitution.

The transposal of a directive with health warnings covering more than the size of the warnings stipulated in the current directive (2001/37/EC) might be incompatible with the Swedish constitution.

Consequently in respect of the provisions relating to the size of health warnings (articles 8 and 9, in conjunction with article 7.6, of the proposed directive), it is not certain if or how Sweden can implement the Directive. In any case, Sweden will require additional time for the implementation of the directive. Currently, Swedish constitutional rules concerning freedom of the press and freedom of expression are being examined regarding text warnings, contents declarations and similar product information."

Statement by France

"France welcomes the fact that the EPSCO Council of 21 June agreed a general approach on the draft tobacco directive, which is a crucial public health issue. It nevertheless regrets that there was no agreement on excluding the provisions on electronic cigarettes from the text at this stage.

While consideration should be given to drawing up EU regulations for this new product, it would be premature to formulate a position on whether it can be legally described as a medicinal product without having access to all the research needed to identify its full effects. No scientific studies are currently available on the medium- and long-term effects of this product and on its consumption patterns.

France calls on the Commission to ensure that studies are carried out before any decision is taken at EU level to draw up rules governing this product."

15. Proposal for a Regulation of the European Parliament and of the Council on Clinical Trials on medicinal products for human use and repealing Directive 2001/20/EC [First reading]

Interinstitutional file: 2012/0192 (COD)

– Progress report

12751/12 PHARM 60 SAN 176 MI 508 COMPET 513 CODEC 1946
+ REV 1 (it)

10452/13 PHARM 31 SAN 201 MI 498 COMPET 401 CODEC 1321

The Council took note of the Progress report as set out in the above-mentioned document.

16. (a) Proposal for a Regulation of the European Parliament and of the Council on Medical Devices, and amending Directive 2001/83/EC, Regulation (EC) No 178/2002 and Regulation (EC) No 1223/2009 [First reading]

Interinstitutional file: 2012/0266 (COD)

14493/12 PHARM 71 SAN 215 MI 597 COMPET 600 CODEC 2305
+ COR 1

(b) Proposal for a Regulation of the European Parliament and of the Council on in vitro diagnostic medical devices [First reading]

Interinstitutional file: 2012/0267 (COD)

14499/12 PHARM 72 SAN 216 MI 598 COMPET 599 CODEC 2312
+ COR 1

– Progress report

11051/13 PHARM 34 SAN 221 MI 553 COMPET 472 CODEC 1487

The Council took note of the Progress report as set out in the above-mentioned document.

NON LEGISLATIVE ACTIVITIES - PUBLIC DEBATES

(in accordance with Article 8(2) of the Council's Rules of Procedure)

3. European Semester 2013: Contribution to the European Council (27-28 June 2013)

– Policy debate

10367/13 SOC 407 ECOFIN 442 EDUC 188

The Council held a policy debate on the European Semester, in particular on the CSRs, based on the Presidency questionnaire (doc. 10367/13).

The Council welcomed in general the overall approach of the Commission on the recommendations. Ministers considered that CSRs were a useful instrument in guiding policy responses to the main challenges faced by their labour markets and social protection systems. Ministers recalled that structural reforms take time to materialise and that their success must come with a general improvement of the economic conditions, and that scope should be left for Member States to negotiate and implement these reforms.

(a) Draft Council Recommendations on the National Reform Programmes 2013 to each Member State, including Macro-economic Imbalance Procedure (MIP) (Draft explanatory note)

- Approval
10345/13 UEM 143 ECOFIN 437 SOC 401 COMPET 384 ENV 490 EDUC 186
RECH 221 ENER 243
- 10399/13 UEM 150 ECOFIN 448 SOC 413 COMPET 398 ENV 497
EDUC 193 RECH 227 ENER 247
- 10400/13 UEM 151 ECOFIN 449 SOC 414 COMPET 399 ENV 498 EDUC 194
RECH 228 ENER 248
- 10662/1/13 UEM 211 ECOFIN 521 SOC 449 COMPET 434 ENV 533
EDUC 224 RECH 259 ENER 278 REV 1

The Council approved the employment and social policy related aspects of the recommendations (listed in doc. 10662/1/13) and the accompanying explanatory document (doc. 10399/13).

A compromise was found for a request made by Romania, thus introducing a minor amendment. Hungary issued a statement to the Council minutes.

Statement by Hungary

Recommendations on the National Reform Programme 2013

"Hungary continues to have serious concerns on its country-specific recommendations and cannot approve them at this stage. The main concern is related to any reference made to the independence of the judiciary. There are also concerns in relation to recommendations on regulated energy prices, taxation and business environment. Hungary will raise these issues at the ECOFIN Council of 21 June 2013.

With regards to recommendations falling within the field of competence of the EPSCO Council, Hungary cannot agree with recommendation No. 4 calling to *“reduce the dominance of the public works scheme”*.

The primary goal of Hungary is to increase the number of workplaces in the private sector, while fostering the employment of the most disadvantaged people in the short run, until labour demand and economic growth are restored. The public work scheme provides employment instead of social benefits for the most disadvantaged people being long-term unemployed and having low level of qualification. These workers would not be able to work immediately, reintegrate in the labour market and cope with expectations of the open labour market.

Reducing the public work scheme in the short run would have serious negative consequences on these people and would compromise the achievements reached so far, like the reintegration of more than 20.000 workers into the labour market.

Hungary is aware of the importance of activation measures within the public work scheme therefore, we are committed to strengthen and extend the already existing activation elements. The objective is to develop key competences and skills of the participants during the rest of the year in 2013."

(b) Examination of the National Reform Programmes (2013) and the implementation of the 2012 Country-Specific Recommendations

- Endorsement of the opinions of the Employment Committee and of the Social Protection Committee
10397/13 SOC 412 ECOFIN 447 EDUC 192
10222/13 SOC 389 ECOFIN 421 FSTR 53 EDUC 182 SAN 184

The Council endorsed the EMCO and SPC opinions contained in the above-mentioned documents.

(c) Assessment of the 2013 package of Council Recommendations on cross-cutting issues

- Reports of the Employment Committee and of the Social Protection Committee
10370/13 SOC 408 ECOFIN 443 EDUC 189
10343/13 SOC 399 ECOFIN 435 EDUC 185

The Council took note of the reports of the EMCO and the SPC contained in the above-mentioned documents.

(d) Employment Performance Monitor and Benchmarks

- Endorsement of the Monitor (prepared by the Employment Committee)
10373/1/13 SOC 409 ECOFIN 444 EDUC 190 REV 1

The Council endorsed the Monitor prepared by the Employment Committee contained in the above-mentioned document.

4. Youth Employment

- Policy debate
10375/13 SOC 410 ECOFIN 445 EDUC 191 JEUN 58
+ COR 1
+ COR 2

The Council held a policy debate, based on the Presidency questionnaire.

Ministers supported swift follow-up of the Council Recommendation on a Youth Guarantee through the development of concrete plans for implementation in all Member States and frontloading the funds allocated to the Youth Employment Initiative in 2014 and 2015.

Ministers also agree to support for intra-EU labour mobility through EURES.

9. Towards social investment for Growth and Cohesion

- Adoption of Council conclusions
10899/13 SOC 466 ECOFIN 545

The Council adopted conclusions as set out in the above-mentioned document. The final version of the conclusions is to be found in doc. 11487/13

13. Women and the Media: Advancing their roles as decision-makers

- Adoption of Council conclusions
10665/13 SOC 451 EDUC 225 AUDIO 69 TELECOM 161 CONSOM 105
CULT 71 ECOFIN 522 DRS 112

The Council adopted conclusions as set out in the above-mentioned document. The final version of the text is to be found in doc. 11470/13.
