



**COUNCIL OF
THE EUROPEAN UNION**



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3184th Council meeting

General Affairs

Brussels, 24 July 2012

President

Mr Andreas MAVROYIANNIS
Deputy Minister for European Affairs of Cyprus

P R E S S

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Main results of the Council

*The Council took note of a presentation by the Commission of its revised proposals for the **multiannual financial framework 2014-2020** and was informed by the Cyprus presidency on the organisation of work on this dossier in the second half of 2012.*

*It was briefed by the Cyprus presidency on its **work programme** for the duration of its term of office.*

*The Council discussed the follow-up to be given to the **European Council** meeting on 28-29 June 2012.*

*The Council adopted its position on the **2013 EU budget**.*

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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>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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PARTICIPANTS

Belgium:

Mr Didier REYNDERS

Deputy Prime Minister and Minister for Foreign Affairs,
External Trade and European Affairs

Bulgaria:

Mr Dimiter TZANTCHEV

Permanent Representative

Czech Republic:

Mr Karel SCHWARZENBERG

First Deputy Prime Minister and Minister for Foreign
Affairs

Denmark:

Mr Nicolai WAMMEN

Minister for European Affairs

Germany:

Mr Michael G. LINK

Minister of State, Ministry of Foreign Affairs

Estonia:

Mr Urmas PAET

Minister for Foreign Affairs

Ireland:

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

Italy:

Mr Enzo MOAVERO MILANESI

Minister responsible for European Affairs

Cyprus:

Mr Andreas MAVROYIANNIS

Ms Rea YIORDAMLIS

Deputy Minister to the President for European Affairs
Director for European Affairs

Latvia:

Mr Andris TEIKMANIS

State Secretary, Ministry of Foreign Affairs

Lithuania:

Mr Audronius AŽUBALIS

Minister for Foreign Affairs

Luxembourg:

Mr Christian BRAUN

Permanent Representative

Hungary:

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State Secretary, Ministry of Foreign Affairs

Malta:

Mr Tonio BORG

Deputy Prime Minister and Minister of Foreign Affairs

Netherlands:

Mr Peter de GOOIJER

Permanent Representative

Austria:

Mr Wolfgang WALDNER

State Secretary, Federal Ministry of European and
International Affairs

Poland:

Mr Piotr SERAFIN

State Secretary, Ministry of Foreign 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 Karl Viktor ERJAVEC

Deputy Prime Minister, Minister for Foreign Affairs

Slovakia:

Mr Peter JAVORČÍK

State Secretary for Foreign Affairs

Finland:

Mr Jan STORE

Permanent Representative

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:**

Ms Vesna PUSIĆ

Minister for Foreign and European Affairs

ITEMS DEBATED

Multiannual Financial Framework

The Council, in public session¹, took note of a revised Commission proposal for the EU's multiannual financial framework (MFF) for the period 2014-2020 ([12356/12](#)).

The revised proposal takes into account Croatia's accession scheduled for mid-2013, the Commission's spring macroeconomic forecast and new regional and national economic data.

The Cyprus presidency informed ministers on the organisation of work during its term of office ([12076/12](#)). It also informed the Council on bilateral meetings with member states which took place from 10-19 July.

Many ministers voiced concerns about the amended MFF proposals:

- Some considered that the increase in the overall expenditure ceiling was inconsistent with the current economic crisis and member states' fiscal consolidation efforts, and reiterated their calls for substantial cuts. Several ministers advocated a top-down approach, meaning that the overall expenditure ceiling would be agreed upon ahead of the discussions on the rest of the MFF package. A number of ministers felt that steps needed to be taken to address the issue of "RAL" (*reste à liquider*) unused commitments.
- Other ministers stressed the investment character of the EU budget and highlighted the important contribution that cohesion policy makes in terms of growth and employment. They regretted that as a result of the update, the Commission proposed fewer financial resources for cohesion policy in the current 27 member states. This was inconsistent with the conclusions of the June European Council which recognised cohesion policy as a major instrument for supporting investments in growth-enhancing measures. In their view, the economic crisis requires "more", not "less" cohesion.

The Cyprus presidency intends to put the MFF on the agenda of every General Affairs Council (GAC) meeting and to continue work through the instrument of the "negotiating box".

¹ Webcast: <http://video.consilium.europa.eu/webcast.aspx?ticket=775-979-11734>

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 in the European Council. The negotiations are conducted according to the principle that nothing is agreed until everything is agreed.

The presidency is committed to continuing close cooperation with the European Parliament in order to facilitate a common understanding leading to the timely adoption of the relevant decisions. Like previous presidencies, the Cyprus presidency will have an exchange of views with representatives of the European Parliament before each GAC and debrief them afterwards.

Ministers for European Affairs will continue their work on the MFF and discuss some key elements of the package at an informal meeting in Nicosia on 30 August. Ahead of the meeting of the European Council in October, the package will be discussed at the GAC meetings on 24 September and 16 October.

The aim is to reach an agreement by the end of this year.

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

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

Presidency Programme

The Council, meeting in public session¹, took note of the presentation by the Cyprus presidency of its programme for the duration of its term of office (July to December 2012). It held an exchange of views.

The Cyprus presidency intends to concentrate on four priorities:

- a more efficient and sustainable Europe,
- a Europe with a better performing and growth-based economy,
- a Europe more relevant to its citizens, with solidarity and social cohesion,
- Europe in the world, closer to its neighbours.

¹ Webcast: <http://video.consilium.europa.eu/webcast.aspx?ticket=775-979-11734>

European Council

The Council took stock of the follow-up being given to the European Council meeting¹ on 28 and 29 June as concerns implementation of key economic policy decisions.

The discussion focused on:

- work to strengthen the EU's economic and monetary union;
- the process followed for the *European Semester* monitoring exercise, in particular the handling of country-specific recommendations on fiscal and economic policies;
- cooperation between the European Parliament, the Council and the Commission in implementation of the Compact for Growth and Jobs.

¹ EUCO 76/12

Other Business

Decentralised agencies

The Council welcomed the agreement on a joint statement and a common approach concerning decentralised agencies reached between the European Parliament, the Council and the Commission in mid-June ([11450/12](#)).

The objective of the common approach is to provide the European Parliament, the Council and the Commission with legally non binding orientations in all their future decisions on EU decentralised agencies, in particular on the role and position of agencies; their structure and governance; their operation; the programming of activities and resources; and accountability, controls and transparency and relations with stakeholders.

Romania

The Council was informed of the latest developments with regard to the political situation in Romania.

OTHER ITEMS APPROVED**BUDGETS****Council position on the 2013 EU draft budget**

The Council adopted¹ its position on the 2013 EU draft budget, limiting the increase in payments to 2.79% compared to 2012 ([12279/1/12 REV 1](#) + [ADD 1](#) + [ADD 2](#) + [12278/12](#) + [ADD 1](#) + [ADD 2](#) + [ADD 3](#)).

The Council's position reconciles the necessity to avoid unduly burdening national public finances in times of fiscal consolidation with the need for growth-enhancing measures. It also takes due account of the fact that 2013 is the last year of the current multiannual financial framework (MFF).

The most important increase in payments (+6.71%) is dedicated to heading 1 (sustainable growth), in line with the Europe 2020 strategy for smart, sustainable and inclusive growth.

In absolute figures, the Council's position on the draft budget for 2013 amounts to:

- EUR 132.70 billion in payments, corresponding to 0.99% of the EU's gross national income (GNI), and
- EUR 149.78 billion in commitments, leaving a margin of EUR 3.58 billion under the overall ceiling of the current MFF.

For details see [12806/12](#).

GENERAL AFFAIRS**Rate of contribution to the pension scheme for EU officials**

The Council took note of a letter from the Commission inviting the Council to adopt a Commission proposal for adjusting the rate of contribution to the pension scheme of EU officials ([12772/12](#)).

¹ The Dutch, Swedish and UK delegations voted against and the Austrian delegation abstained.

Assistance to the Turkish Cypriot community

The Council adopted conclusions on a special report of the European Court of Auditors entitled "European Union Assistance to the Turkish Cypriot community", set out in document ([12526/12](#)).

ECONOMIC AND FINANCIAL AFFAIRS

Derogation from the VAT directive for Denmark - Private use of light goods vehicles

The Council adopted a decision authorising Denmark to introduce a measure derogating from directive 2006/112/EC on value-added taxation (VAT) for the private use of light goods vehicles ([11987/12](#)).

The measure authorises Denmark to impose a flat rate of DKK 40 per day for the private use of a light goods vehicle registered as being solely for business use.

The Council's decision will be valid until 31 December 2014.

Manipulation of statistics used for budgetary surveillance

The Council decided, on account of calendar constraints, to extend by a further two months the period for raising objections to a draft Commission decision on investigations and fines related to the manipulation of statistics used for budgetary surveillance in the euro area ([12498/12](#)).

The draft decision is a delegated act pursuant to article 290 of the Treaty on the Functioning of the European Union; the Council and the European Parliament normally have a two-month period for raising objections.

External auditor of the Bank of Slovenia

The Council adopted a decision approving the appointment of Deloitte as external auditor of the Bank of Slovenia for the financial years 2012 to 2014 ([11897/12](#)).

JUSTICE AND HOME AFFAIRS

EU agency for large-scale information systems - Participation of EFTA countries

The Council adopted a decision authorising the opening of negotiations on an arrangement with Iceland, Norway, Switzerland and Liechtenstein on modalities for the participation by those countries in the European Agency for the operational management of large-scale information systems in the area of freedom, security and justice ([11797/12](#)).

Schengen Information System

The Council took note of the outcome of the SIS II second milestone test, which was carried out in May.

The aim of the two milestone tests, as laid down in an annex to Council conclusions of June 2009, is to prove the stability, reliability and performance of the central system and the proper functioning of vital core functionalities such as data consistency and reliable message transfer. Germany issued a dissenting opinion.

"Prüm Decisions" (*) - Automated data exchange with Hungary

The Council adopted a decision on the launch of automated data exchange with regard to DNA and dactyloscopic data in Hungary ([11916/12](#) and [11923/12](#)).

An evaluation procedure prior to this decision concluded that the general provisions on data protection are fully implemented by Hungary ([11354/12](#) and [11360/12](#)). The country is henceforth entitled to start receiving and supplying DNA and dactyloscopic data for the purpose of prevention and investigation of criminal offences.

(*) Council Decisions 2008/615/JHA and 2008/616/JHA

TRADE

Agreements with Russia - Raw materials, services and vehicle parts

The Council adopted a decision approving, on behalf of the EU, the conclusion of an agreement with Russia committing the latter to make its best efforts not to introduce or increase export duties for certain raw materials ([16828/11](#)).

Under the agreement, if Russia were to consider the introduction or increase of export duties on those raw materials, it would have to consult the European Commission at least two months prior to the implementation of such measures.

The Council also adopted decisions approving, on behalf of the EU, the conclusion of agreements with Russia on:

- the preservation of commitments on trade in services contained in the current EU-Russia partnership and cooperation agreement ([16815/11](#));
- trade in parts and components of motor vehicles ([11806/11](#)).

INTERNAL MARKET

Motor vehicles - Lane departure and emergency braking systems

The Council adopted a decision approving draft regulations of the United Nations economic commission for Europe (UNECE) on uniform provisions for the approval of vehicles with regard to lane departure warning systems and advanced emergency braking systems.

UNECE regulations are intended to remove technical barriers to trade in motor vehicles and to ensure that such vehicles offer a high level of safety and protection.

FISHERIES

Fishing opportunities - Protection of the giant manta ray

The Council adopted amendments to regulations 43/2012 and 44/2012 as regards the protection of the species "giant manta ray" and certain fishing opportunities ([11983/12](#)).

The amendments modify the two regulations fixing fishing opportunities for certain fish stocks by adding the giant manta ray to the relevant articles containing lists of prohibited fisheries. This follows the 10th conference of the parties of the convention of migratory species of wild animals, held in Bergen from 20 to 25 November 2011, where the giant manta ray (*Manta birostris*) was added to the lists of protected species.

EUROPEAN ECONOMIC AREA

Emission Trading Scheme

The Council approved the position to be taken by the EU within the European Economic Area (EEA) joint committee concerning an amendment to annex 20 (environment) to the EEA agreement.

The decision incorporates all relevant EU legislation regarding the Emission Trading Scheme (ETS) into the EEA agreement ([11697/12](#)).

Pesticide residues

The Council approved the position to be taken by the EU within the European Economic Area (EEA) joint committee concerning an amendment to annex 2 (technical regulations, standards, testing and certification) to the EEA agreement as regards pesticide residues ([11609/12](#)).

APPOINTMENTS

Economic and Social Committee

The Council appointed Mr Pekka RISTELÄ (Finland) and Mr Vitas MAČIULIS (Lithuania), as members of the Economic and Social Committee for the remainder of the current term of office, which runs until 20 September 2015 ([12436/12](#) and [12438/12](#)).

TRANSPARENCY

Transparency - public access to documents

The Council approved:

- a reply to confirmatory application made by Ms Joanna Hosa (No 15/c/01/12) ([12340/12](#));
and
 - a reply to the European Ombudsman concerning the complaint made by Mr David Price (862/2012/RT), the Swedish delegation voting against. ([10830/12](#))
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