



**COUNCIL OF
THE EUROPEAN UNION**

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ADDENDUM to DRAFT MINUTES

Subject: **3150th** meeting of the Council of the European Union (**GENERAL AFFAIRS**)
held in Brussels on 28 February 2012

PUBLIC DELIBERATION ITEMS¹

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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)

1. Regulation of the European Parliament and of the Council establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) n° 924/2009

PE-CONS 76/11 EF 174 ECOFIN 885 CONSOM 216 CODEC 2429 OC 88

The Council approved the amendments 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).

Commission statement on SEPA governance

"In order for SEPA migration to proceed smoothly and for the wider SEPA project to achieve its full potential, it is vital that all stakeholders and especially users, including consumers, are closely involved and can play a full role. While the establishment of the SEPA Council represents a significant improvement to the governance of the SEPA project, to date SEPA migration has been substantially developed by the supply side and in particular European banks through the aegis of the European Payments Council (EPC). Therefore, during its review of the functioning of the SEPA Council in 2012, the Commission will consider the governance of the whole SEPA project and, in particular, how to take better account of consumer, small and medium-sized enterprises, retailers and other user interests. The Commission will review, inter alia, the composition of the EPC, the interaction between the EPC and an overarching governance structure, such as the EPA Council, and the role of that overarching structure. If the Commission assessment confirms the need for further initiatives to improve SEPA Governance, the Commission will consider making proposals."

Commission statement on the review of the Payment Services Directive

"The Commission fully recognises that in order to ensure broad public support for SEPA, it is essential that a high level of protection for payers is maintained, particularly for direct debit transactions. The Commission notes that today many consumers enjoy an unconditional refund right under their respective national direct debit schemes. It also notes that the only existing pan-European direct debit scheme for consumers provides for an unconditional refund right for authorised payments during a period of eight weeks. That refund right is broader than the minimum required under the Payments Services Directive (Directive 2007/64/EC).

Therefore, considering the necessity to ensure a higher level of consumer protection and taking into account the prevailing market situation in the Union and the claim of the European Parliament, expressed throughout the political debate on SEPA, to improve the refund right, the Commission will include a review of the existing direct debit refund rights in the Union within the scope of its report under Article 87 of that Directive. The Commission will present that report no later than 1 November 2012 to the European Parliament, the Council, the European Economic and Social Committee and the European Central Bank. If the Commission report under Article 87 of the Payment Services Directive confirms the need for a revision of that Directive, in particular with regard to the criteria for refund rights, the Commission will consider making proposals."

Commission statement on delegated acts

"The Commission is of the view that Article 290 TFEU is to be interpreted as meaning that it is autonomous in the preparation and adoption of delegated acts. The standard recital on expert advice contained in the Common Understanding agreed between the three institutions is a reflection of that interpretation. The Commission therefore regrets that recital 30 of this Regulation deviates from the Common Understanding."

Declaration by France, the Czech Republic, Austria and Estonia

"France, the Czech Republic, Austria and Estonia express strong concerns about the elimination of BIC which has been asked by the EP and the Commission as part of the final negotiations. This has been done without proper impact assessment (including a cost-benefit analysis) that should have been carried out in accordance with the interinstitutional agreement between the Commission, the EP and the Council. The elimination of BIC risks slowing down or impeding the migration to SEPA in certain Member States and raises IT security issues (including questions regarding data protection), in particular in connection with the potential set-up of a pan-european BIC register, that have not been assessed adequately."

Declaration by Bulgaria, the Czech Republic, Sweden and the United Kingdom

"The euro plays an important role in the commercial and trading relationships of non-euro Member States, who will also implement the SEPA Regulation for their euro transactions. Bulgaria, the Czech Republic, Sweden and the United Kingdom believe that the SEPA Regulation, and the SEPA project as a whole, must be underpinned by an appropriate and representative governance structure. Accordingly, these Member States call for the representation of a non-euro Member State central bank in the SEPA Council."

2. Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector

PE-CONS 77/11 AGRI 889 AGRIORG 253 CODEC 2459 OC 97

The Council approved the amendment set out in the European Parliament's position at first reading and adopted the proposed act amended accordingly, with the Luxembourg delegation voting against and with the Irish, Netherlands and Danish delegations abstaining, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 42 and Article 43(2) of the TFEU).

Council declaration

"The Council declares that the choice made in this Regulation not to use the option provided for in point (b) of the second subparagraph of Article 5(4) of Regulation (EU) No 182/2011 is without prejudice to any future position to be taken on a case-by-case basis as regards other legislative acts, notably in the agricultural field, since the said point (b) allows the legislator to decide, in each basic act that it is called to adopt, whether it is appropriate to provide that draft implementing acts may not be adopted by the Commission where no opinion is delivered by the competent committee."

Commission declaration

" The Commission declares that:

1. as regards Article 126c(6), in order to prevent competition being excluded or in order to avoid seriously damaging SME processors of raw milk in its territory, the relevant competition authority may in an individual case decide either before or after the closing of a negotiation that the negotiation by the producer organisation should either be reopened or not take place at all.
2. it will inform the Member States concerned and seek their view when taking decisions on the incompatibility with Union competition rules as set out in the Regulation (EC) No 1234/2007 of the following activities in the milk and milk products sector:
 - (a) whether certain agreements, decisions and concerted practices of interbranch organisations are incompatible with Union rules [ref. Article 177a];
 - (b) whether the negotiations by a producer organisation relating to more than one Member State should not take place or be reopened [para 6 of Article 126c];
 - (c) whether a Member State should repeal the rules laid down by that Member State which regulates the supply of such PDO/PGI cheese produced in the defined geographical area, in case rules are not in compliance with the required conditions or prevent or distort competition in a substantial part of the internal market, or jeopardises free trade or that the objectives of Article 39 of the TFEU are endangered [ref. para 8 of Article 126d];

3. as regards Article 126d on the supply management of PDO and PGI, the Commission would like to point out, that this is only allowed if there is a large representation of milk producers and cheese producers and under the condition that the rules shall not create discrimination, constitute a barrier for new entrants, or adversely affect small producers. [ref. para 2 and para 4 letter (h) of Article 126d]."

Declaration by Ireland and the Netherlands

"Neither Ireland nor the Netherlands can support the Proposal for a Regulation of the European Parliament and the Council amending Council Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector, because it does not contain a measure to ensure a soft landing for dairy farmers in all Member States in the run up to the abolition of dairy quota in 2015. It is clear at this point that the ameliorating measures agreed in the context of the CAP Health check are insufficient in some Member States.

In the discussion on the dairy package proposal, Ireland and the Netherlands as well as other Member States have continued to emphasise the need to ensure a smooth transition to the new system in all Member States. This could be achieved through a variety of mechanisms, including quota expansion, or a change in the fat correction factors. As the proposed legislative package currently stands it is lacking such a measure and does little or nothing to improve the position of dairy farmers in our countries and for that reason Ireland and the Netherlands are not able to support the proposed regulation."

Declaration by Luxembourg

"Luxembourg takes note of the adoption of the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector. This Regulation reflects certain recommendations made by the High Level Expert Group on Milk, adopted in July 2010. One of the aims of these recommendations was to re-establish an equilibrium between the respective positions of producers and processors in the dairy sector. Luxembourg supported the conclusions of this High Level Group and welcomes their inclusion in this Regulation.

Moreover, Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation), amended following the CAP Health Check by Council Regulation (EC) No 72/2009 of 19 January 2009, provides in Article 184(6) that the Commission should present a report before 31 December 2010 and 31 December 2012 to the European Parliament and Council regarding the evolution of the market situation and the consequent conditions for smoothly phasing out the milk quota system, accompanied if necessary by appropriate proposals.

The Commission presented the first of these two reports on 8 December 2010.

Although the European Commission acknowledges in this report that the current state of the market does not guarantee a soft landing ahead of the abolition of the dairy quota system in all Member States in 2015, it does not make any suggestions for resolving this issue.

Luxembourg therefore expresses its disappointment that the Regulation on contractual relations in the milk and milk products sector does not include practical measures which would ensure a soft landing in all Member States.

Luxembourg asks the Commission to continue to analyse possible ways of adapting the current legislation in order to resolve this difficult situation for all the milk producers concerned, and to make appropriate and timely proposals.

Consequently, Luxembourg cannot support the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1234/2007 as regards contractual relations in the milk and milk products sector, and must regrettably vote against this proposal."

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