



Council of the
European Union

Brussels, 30 October 2015
(OR. en)

12742/15

LIMITE

PV/CONS 50
ECOFIN 748

DRAFT MINUTES¹

Subject: **3413th** meeting of the Council of the European Union (**ECONOMIC AND FINANCIAL AFFAIRS**) held in Luxembourg on 6 October 2015

¹ Information on Council legislative deliberations, on other cases of Council deliberations open to the public and on public debates may be found in Addendum 1 to these minutes.

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1. **Adoption of the provisional agenda**

12533/1/15 REV 1 OJ CONS 50 ECOFIN 739

The Council adopted the above-mentioned agenda.

LEGISLATIVE DELIBERATIONS

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

2. **Mandatory automatic exchange of information in the field of taxation**

- Proposal for a Council Directive amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation
 - = Political agreement
- 12525/15 FISC 119 ECOFIN 737
12526/15 FISC 120 ECOFIN 738

The Council has reached a political agreement on the Presidency compromise, as set out in doc. 12774/15, with a view to adopting the Directive, subject to receiving the opinion of the European Parliament and legal-linguistic revision, as an "A" item on the agenda of a forthcoming Council. The Czech Republic and the Commission made statements as set out in the Annex.

3. **Any other business**

- **Current legislative proposals**
 - = Information from the Presidency

The Council took note of the state of play in relation to legislative financial services files.

NON-LEGISLATIVE ACTIVITIES

4. **Approval of the list of 'A' items**

12534/15 PTS A 70

The Council adopted the "A" items as listed in doc. 12534/15.

The documents on item 7 should read as follows:

Item 7: 12602/2/15 REV 2 ASILE 17 CONUN 185
12538/15 ASILE 15 CONUN 182

Statements to these items are set out in the Annex.

5. Implementation of the Banking Union

= Information on the state of play regarding the relevant files

The Council was informed on the state of play of implementation of the Banking Union.

6. Capital Markets Union

= Presentation of the action plan by the Commission and exchange of views
12263/15 EF 175 ECOFIN 716 SURE 23 UEM 350

The Council took note of the Commission's Action Plan on Building a Capital Markets Union.

7. European Semester 2015 - Lessons learned

= Exchange of views
12285/15 ECOFIN 719 UEM 351 SOC 531 EMPL 348 COMPET 419
ENV 580 EDUC 254 RECH 231 ENER 337 JAI 682

The Council held an exchange of views on the lessons learned from this year's European Semester and ways forward, on the basis of a letter by the President of the Economic and Financial Committee.

8. Stability and Growth Pact

– Common Position on flexibility in the Stability and Growth Pact
= State of play

The Council took note of the state of play on the technical discussions on the codification of a commonly agreed position on flexibility within the Stability and Growth Pact. The Council will look again at this issue later this year.

9. International meetings - preparations and follow-up

- **Follow-up to the G20 Finance Ministers meeting in Ankara on 4 and 5 September 2015**
 - = Information from the Presidency and the Commission
- **Preparation of the G20 Finance Ministers meeting in Lima on 8 October 2015**
 - = Adoption of the draft terms of reference
- **Statement by the President of Ecofin to the International Monetary and Financial Committee (IMFC) in the framework of the annual IMF meetings**
 - = Adoption of the draft statement

The Council was debriefed on the Ankara G20 Meeting of Finance Ministers and Central Bank Governors, and endorsed Terms of Reference for the 8 October G20 meeting. The Council also endorsed the statement to the International Monetary and Financial Committee.

10. Any other business

No issues were raised under this item.

STATEMENTS FOR THE COUNCIL MINUTES

- Ad "B" item 2:** **Mandatory automatic exchange of information in the field of taxation**
- **Proposal for a Council Directive amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation**
 - = **Political agreement**

STATEMENT BY THE CZECH REPUBLIC

"The Czech Republic shares the view that timely solutions to base erosion and profit shifting are necessary. The Czech Republic nevertheless urges the Commission to put equal emphasis on the fight against VAT frauds in near future. VAT frauds affect Member States' budgets even more than aggressive planning in corporate tax area. While working towards VAT definitive regime in the EU, the Commission shall proceed with equal vigour towards various options including wider application of reverse charge mechanism. The Czech Republic, as of now, volunteers to test this respective option through a pilot project similar to that outlined by the Commission in 2008. The Czech Republic expects the Commission to set the parameters to frame the pilot project. Ideally, the Commission should come up with the respective legislative proposal by the time the Communication on various options of definitive VAT regime is published."

STATEMENT BY THE COMMISSION

"The Commission reiterates that the fight against tax fraud, including VAT, is one its main priorities. Against this background, it will present next year new initiatives on a fraud-proof VAT system.

The Commission is currently examining different options, including a wider use of the reverse charge mechanism. This analysis should be carried out and discussed with all Member States in this framework."

Ad "A" item 7: Adoption of the Council Decision on the position to be adopted, on behalf of the European Union, in the sixty-sixth session of the Executive Committee of the Programme of the United Nations High Commissioner for Refugees

STATEMENT BY IRELAND

"The Irish delegation notes that it is intended that the Council will make a decision on the *Proposal for a Council decision on the position to be adopted on behalf of the European Union in the sixty-sixth session of the Executive Committee of the Programme of the United Nations High Commissioner for Refugees* less than 3 months after presentation of this proposal to the Council.

In these exceptional circumstances, mindful of the restricted time available between the presentation of the decision to the Council and the annual meeting of the Executive Committee of the High Commissioner's Programme, the Irish delegation will not insist, in this instance, upon its right to have 3 months within which to exercise Ireland's option to notify the President of the Council of its wish to participate in the adoption and application of the proposed Council Decision in accordance with the provisions of Article 3 of Protocol 21 on the Position of the United Kingdom and Ireland in respect of the area of Freedom, Security and Justice annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union."

STATEMENT BY THE UNITED KINGDOM

"The United Kingdom reiterates its support for EU participation in the private meetings of the UNHCR Executive Committee.

The United Kingdom reminds the Council that the United Kingdom and Ireland have a special position under Protocol 21 to the Treaty on the Functioning of the European Union. Article 3 of Protocol 21 provides the United Kingdom and Ireland with a period of 3 months to consider whether to take part in a measure.

That Protocol applies to the proposed Council Decision on arrangements for additional participatory rights for the European Union within the formal and informal bodies of the United Nations High Commissioner for Refugees (UNHCR).

The United Kingdom regrets that it has not been given the full three months, in accordance with the Treaties, or even a reasonable period of time to take a decision on whether to participate in this measure. Waiving the full three months would be appropriate only where there is a clear need or in response to an emergency measure, and the United Kingdom does not consider that this is the case here.

The United Kingdom has therefore not been able to undertake the Parliamentary and other obligations that are required under its internal arrangements before it can decide whether to take part in a measure. The United Kingdom is therefore not taking part in the adoption of the Council Decision, and will not be bound by it.

The United Kingdom will continue to work closely with EU partners and the UNHCR to address the causes and consequences of irregular migration, not least as the second largest donor globally in response to the Syria crisis."

STATEMENT BY THE COMMISSION

"The Commission considers that a decision pursuant to Article 218(9) TFEU is not legally necessary, as the type of cooperation with UNHCR which is envisaged is covered by Article 220 TFEU. However, in view of the debates in COREPER, the Commission exceptionally made a proposal for a Council decision. The Commission understands that the decision exclusively addresses the issue of the amendment of Rules of Procedure of the Executive Committee of UNHCR, and it is without prejudice of the Commission's and High Representative's responsibilities and competences pursuant to Article 220 TFEU."
