



Council of the
European Union

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DRAFT MINUTES¹

Subject: **3488th** meeting of the Council of the European Union
(Economic and Financial Affairs),
held in Luxembourg on 11 October 2016

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 agenda**
12840/16 OJ CONS 46 ECOFIN 868

LEGISLATIVE DELIBERATIONS

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

2. **Approval of the list of "A" items**
12841/16 PTS A 72

The Council adopted the "A" item listed in 12841/16.

Details on the adoption of this item are set out in the Addendum.

3. **Fight against fraud**

- **VAT-related aspects of the draft Directive on the fight against fraud affecting the Union's financial interests by means of criminal law (PIF Directive)**
= Exchange of views

Ministers were debriefed on the state of play and exchanged views on whether to include VAT fraud in the scope of the PIF directive, with a view to help JHA Council unlocking negotiations with the European Parliament on this matter. Most ministers expressed an openness to compromise but with some conditions, among which notably a limitation to most serious cases of cross-border VAT fraud. Several ministers expressed their opposition to such inclusion, whilst some suggested including VAT fraud in the scope of the European Public Prosecutor Office (EPPO) Regulation rather than in the PIF Directive. Some ministers also referred to the legislative proposal for a generalised reverse charge mechanism, expected to be put forward by the Commission by the end of 2016. The Presidency concluded that it would report on the outcome of this exchange of views to the JHA Council.

4. **Any other business**

- **Current financial service legislative proposals**
= Information from the Presidency
12655/16 EF 288 ECOFIN 844

The Council took note of the state of play in relation to financial service legislative proposals.

NON-LEGISLATIVE ACTIVITIES

5. **Approval of the list of "A" items**
12843/16 PTS A 73

The Council adopted the "A" items listed in 12843/16.

6. Implementation of the Banking Union

= State of play

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

7. Follow-up on the G20 and IMF meetings in Washington on 6-9 October 2016

= Information from the Presidency and the Commission

The Council was debriefed on the outcomes of the G20 and IMF Washington meetings.

8. Climate finance

- **Preparation of the 22nd Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC) (Marrakesh, 7-18 November 2016)**

= Draft Council conclusions
12722/16 ECOFIN 857 ENV 623 CLIMA 128

The Council adopted its conclusions on climate finance.

9. European Semester 2016 - Lessons learnt

= Exchange of views
12727/16 ECOFIN 858 UEM 302 SOC 580 EMPL 384 COMPET 513 ENV 624
EDUC 311 RECH 280 ENER 342 JAI 786

The Council took stock of the key challenges for the European semester and drew lessons for its improvement.

10. Joint Report on health systems and fiscal sustainability

= Presentation by the Commission
12735/16 ECOFIN 859 SOC 581 BUDGET 28 SAN 341
+ ADD 1

The Commission presented the Joint Commission-EPC report on health systems and fiscal sustainability, focusing in particular on the policy challenges and options for health care and long term care. The Council mandated the EFC to prepare draft Council conclusions ahead of the ECOFIN meeting in November.

11. Any other business

- **Basel Committee's banking reform agenda - Follow-up on latest developments**
= Information from the Commission

The Council was updated on the state of play in Basel discussions regarding the existing Basel 3 Accord.