

Brussels, 17 July 2018
(OR. en)

11209/18
CRS CRP 25

SUMMARY RECORD

PERMANENT REPRESENTATIVES COMMITTEE (Part 2)

4 July 2018

I. Adoption of the agenda

10685/18 OJ CRP2 25

The Committee adopted the agenda.

II. Approval of the "I" items

The Committee approved the "I" items as set out in the Annex.

III. Discussion items

COREPER (PART 2)

General Affairs

2. Presidency priorities
Presentation by the Presidency

The Committee took note of the information provided by the Presidency.

Foreign Affairs

3. Meeting of the Council (Foreign Affairs) on 25 June 2018:
Follow-up

The Committee took note of the main outcomes of the Council meeting.

4. Meeting of the Council (Foreign Affairs) on 16 July 2018:
Preparation
Other items in connection with the Council meeting

The EEAS provided further information regarding the Council meeting.

General Affairs

5. Meeting of the Council (General Affairs) on 26 June 2018:
Follow-up

The Committee took note of the main outcomes of the Council meeting.

6. European Council follow-up

The Committee took note of the main outcomes of the European Council and agreed to revert to this at its next session.

The Italian delegation requested that its intervention be recorded in the minutes:

"MIGRATION

The European Council has outlined several components of a common approach to address the common challenge of migration. All those elements should be implemented simultaneously if we want this approach to be effective and avoid unilateral initiatives which would become a problem for all the EU.

As regards the migratory routes, monitoring is an essential part, but of course much more needs to be done on the operational side. The role of COREPER is key. On the Central Mediterranean route, in particular, concrete support should be ensured to the Libyan Authorities and in particular the Libyan Coast Guard. As far as Italy is concerned, as you might know, our Government has decided to provide the Libyans with 12 patrolling vessels, securing at the same time financing for training and refurbishment and maintenance of further naval units.

While working with UNHCR and IOM on the concept of regional disembarkation platforms, we believe that ad hoc incentive packages should be defined in order to encourage third Countries of transit to cooperate on these basis.

On the Turkey Facility and the EU-Africa Trust Fund, we expect the two processes, which are parallel, to go hand in hand: besides EU financing, Member States have taken the commitment to contribute further to the Trust Fund for Africa with a view of its replenishment. Unfortunately, we see not sufficient reference to this in the follow up note, which should be amended accordingly.

On the strengthening of FRONTEX, we believe that it is urgent to better understand objectives of an enhanced mandate. Only then, it will be possible to assess the adequateness of existing resources and possible impact on national competences.

On legislative proposals for a more effective and coherent return policy, we highlight the need to stick to the European Council Conclusions that do not make reference to legislative changes to enhance the effectiveness of asylum procedures.

As a matter of fact, such an aspect should be dealt within the framework of negotiations of the CEAS package, which should include solutions as regards persons disembarked following search and rescue operations, as stated in the Conclusions of the European Council.

RUSSIA

On Russia, in the context of the discussion on the implementation of the Minsk agreements, our Prime Minister said that the time is ripe for a reflection on the effects of some measures on the Russian civil society.

In particular, we believe that a reflection is necessary on the current all-out suspension in the EBRD and EIB financing of new projects in Russia and on how such policy is coherent with the EU policies (in particular with the 5 principles).

In our view, EBRD and EIB should resume their activities in Russia with a focus on SMEs development and the Commission should also look into the question in order to see how direct support to SMEs in Russia might be offered by the EU.

In this respect, we expect the European Council in October to address this issue."

7. MFF (2021-2027) - Organisation of work within the Council in 10635/18
the second semester 2018
State of play

The Committee took note of the information provided by the Presidency.

8. Transparency
State of play

The Committee took note of the information provided by the Presidency.

Economic and Financial Affairs

9. Meeting of the Council (Economic and Financial Affairs) on 22
June 2018: Follow-up

The Committee took note of the main outcomes of the Council meeting.

10. Meeting of the Council (Economic and Financial Affairs) on 13
July 2018: Preparation

Other items in connection with the Council meeting

Presidency provided further information regarding the Council meeting. The Committee agreed to add an item to the agenda on the VAT rates for e-publications.

11. Meeting of the Council (Economic and Financial Affairs/Budget) on 24 July 2018: Agenda

The Presidency presented the main item on the agenda and announced that if agreement is reached at the level of the Committee, the Council session would not need to take place.

12. Facility for Refugees in Turkey: Next steps
Information from the Presidency

The Presidency informed the Committee of the next steps.

Foreign Affairs

13. EU-Ukraine Summit (Brussels, 9 July 2018) 10620/18
State of play

The Committee discussed the state of play of preparations, provided further guidance to the EEAS, and endorsed the draft Joint Statement subject to confirmation between the negotiators.

14. EU-Japan Summit (Brussels, tbc) 10531/18
State of play

The Committee discussed the state of play and agreed to return to discuss this issue if no agreement could be found at working party level.

IV. Any other business

COREPER (PART 2)

MFF sectoral proposals in the ECOFIN area

The Committee took note of the information provided by the Commission.

MFF sectoral proposals - European Defence Fund

The Committee took note of the information provided by the Commission.

Trilogues

The Committee took note of the information provided by the Presidency.

"I" items approved**COREPER (PART 2)****Judicial Affairs**

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|-----|--|-----------------|
| 15. | Case T-203/18 (VQ v European Central Bank)
<i>Information note for the Permanent Representatives Committee (Part 2)</i> | 10293/18
JUR |
| 16. | Case T-196/18 (Vital Capital Investments and others v. Council of the European Union and others)
<i>Information note for the Permanent Representatives Committee (Part 2)</i> | 10626/18
JUR |
| 17. | Case T-158/18 - Mario Scaloni and Enio Figini v. European Commission
<i>Information note for the Permanent Representatives Committee (Part 2)</i> | 10631/18
JUR |

Institutional Affairs

18. **Minutes of Council meetings**
Approval

GAC Cohesion 12.04.2018	8012/18 + ADD 1
FAC 16.04.2018	8085/18 + ADD 1
GAC 17.04.2018	8086/18 + ADD 1
GAC 14.05.2018	8817/18 + ADD 1

Appointments

- | | | |
|-----|---|-----------------------------|
| 19. | Two members and three alternate members (LU) of the Committee of the Regions
<i>Adoption</i> | 10441/18
10440/18
CDR |
| 20. | A member (AT) to the European Economic and Social Committee
<i>Adoption</i> | 10383/18
10382/18
CES |

Economic and Financial Affairs

21. Country Specific Recommendations 2018 (CSRs) *Adoption*

10269/18
9454/18
UEM

Statement by Croatia

"Croatia *fully accepts recommendations* that were made in the European Commission's Recommendation for a Council Recommendation on the 2018 National Reform Programme of Croatia and delivering a Council opinion on the 2018 Convergence Programme of Croatia (COM(2018) 410 final) that correspond with the Government of Croatia's policies.

Croatia is *not in a position to accept* recommendations that do not correspond to the Government of Croatia's declared policies, i.e. most notably to "introduce a recurrent property tax".

The fact that introduction of property tax will no longer be the policy of the Government of Croatia was made clear already in September 2017, when the introduction of property tax was abolished by virtue of amendments to the Local Tax Act. Consequently, this measure was not included in the 2018 National Reform Programme of Croatia submitted to the Commission one month ahead of the adoption of COM(2018) 410 final.

This notwithstanding, Croatia is aware of the weak fiscal capacity of its local self-government units and is taking measures to strengthen it. As a matter of example, the new Act on the Financing of Units of Local and Regional Self-Government, in force since January 2018, introduces a higher quality fiscal equalization model, as well as a fairer and more transparent model of redistribution of revenues between local self-government units. As a result, the entire revenue from the income tax was transferred to local and regional self-governments. Also, the Government of Croatia is continuously undertaking activities aimed at updating the real estate records and those lead to an increase in revenues from existing fees, which are also the income of local and regional self-governments.

Given the fact that Council recommendations are purely focused on Member States' national reform programmes and convergence programmes – documents that contain measures in ownership of the Member States, as repeatedly confirmed in different fora by both the Member States and Commission – Croatia strongly believes that this rule and practice should continue to be followed. Measures whose undertaking is the discretion of Member States and which Member States have themselves explicitly opted not to undertake should not be part of Council's recommendations. Country specific recommendations should provide Member States with guidance for national reforms and not impose specific solutions.

With this in mind, while it accepts recommendations made in COM(2018) 410 final that are in line with the Government of Croatia's declared policies, Croatia cannot accept those recommendations that run against them."

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| 22. | Transfer No DEC 11/2018 (Section III - Commission)
<i>Approval</i> | 10361/18
FIN |
| 23. | Transfer No DEC 12/2018 (Section III - Commission)
<i>Approval</i> | 10327/18
FIN |
| 24. | Transfer No DEC 13/2018 (Section III - Commission)
<i>Approval</i> | 10328/18
FIN |
| 25. | Transfer No DEC 14/2018 (Section III - Commission)
<i>Approval</i> | 10329/18
FIN |
| 26. | Transfer No DEC 15/2018 (Section III - Commission)
<i>Approval</i> | 10330/18
FIN |
| 27. | Transfer No DEC 16/2018 (Section III - Commission)
<i>Approval</i> | 10331/18
FIN |

Justice and Home Affairs

- | | | |
|-----|---|----------------------------------|
| 28. | Schengen Evaluation Recommendation - Sweden Data
Protection
<i>Adoption</i> | 10571/18
10570/18
SCH-EVAL |
| 29. | Schengen Evaluation Recommendation - Hungary Return
<i>Adoption</i> | 10573/18
10572/18
SCH-EVAL |
| 30. | Schengen Evaluation Recommendation - Italy External Border
<i>Adoption</i> | 10575/18
10574/18
SCH-EVAL |
| 31. | Schengen Evaluation Recommendation - Poland External
Border
<i>Adoption</i> | 10577/18
10576/18
SCH-EVAL |
| 32. | EU-Ivory Coast Joint document on return
<i>Endorsement</i> | 10600/18
JAI |

Foreign Affairs

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| 33. | Council Decision on the conclusion of a Protocol to the Framework between the EU and Republic of Korea- Accession of Croatia
<i>Adoption</i> | 10346/18
7817/16 + COR 1
7730/16
COASI |
| 34. | EU-Japan Economic Partnership Agreement
Council Decision on the signing
<i>Adoption</i>
<i>Decision to use the written procedure</i> | 7961/18
7963/18
7965/18 + ADD 1-6
WTO
COASI |
| 35. | EU-Japan Economic Partnership Agreement
Council Decision on the conclusion
<i>Request for the consent of the European Parliament</i>
<i>Decision to use the written procedure</i> | 7961/18
7964/18
7965/18 + ADD 1-6
WTO
COASI |
| 36. | EU-CELAC Ministerial - State of preparations
<i>Approval</i> | 10559/18
COLAC |
| 37. | EU-Cuba (PDCA) - Modalities for political dialogues
<i>Approval</i> | 10321/18
10604/18
10606/18
10608/18
10610/18
10613/18
COLAC |
| 38. | 3rd Bosnia and Herzegovina SA Council - EU Common Position
<i>Establishment of the EU position</i>
<i>Decision to use the written procedure for the adoption</i> | 9552/18
COWEB |
| 39. | Proposed opening of a European Union Delegation to Kuwait
<i>Approval</i> | 10605/18
MOG |

Delegated or Implementing Acts

General Affairs

40. Commission Delegated Regulation (EU) .../... of 28.5.2018 amending Delegated Regulation (EU) 2015/2195 on supplementing Regulation (EU) No 1304/2013 of the European Parliament and of the Council on the European Social Fund, regarding the definition of standard scales of unit costs and lump sums for reimbursement of expenditure by the Commission to Member States, and correcting that Delegated Regulation
Delegated act - Intention not to raise objections
- 10111/1/18 REV 1
9652/18 + COR 1
+ ADD 1
REGIO

Economic and Financial Affairs

41. Commission Delegated Regulation (EU) .../... of 1.6.2018 amending Delegated Regulation (EU) 2015/35 as regards the calculation of regulatory capital requirements for securitisations and simple, transparent and standardised securitisations held by insurance and reinsurance undertakings
Delegated act - Intention not to raise objections
- 10504/18
9667/18
EF

Internal Market and Industry

42. Commission Delegated Regulation (EU) .../... of 18.5.2018 amending and correcting Delegated Regulation (EU) 2017/654 supplementing Regulation (EU) 2016/1628 of the European Parliament and of the Council with regard to technical and general requirements relating to emission limits and type-approval for internal combustion engines for non-road mobile machinery
Delegated act - Intention not to raise objections
- 10517/18
9114/18 + ADD1
ENT

Agriculture

43. Regulation on common market organisation (CMO) of agricultural products
Decision to consult an institution or body
- 10270/18
9556/18
+ REV 1 COR 1

Fisheries

44. Preparation of the 3rd Meeting of the Signatories to the MoU on the conservation of Migratory Sharks (Sharks MOS 3)
Adoption
- 10318/18 + ADD 1
10283/18
9513/18
PECHE