



Council of the
European Union

**Brussels, 18 July 2014
(OR. en)**

11700/14

CRS/CRP 30

SUMMARY RECORD

Subject: 2505th meeting of the PERMANENT REPRESENTATIVES COMMITTEE
held in Brussels on 9 and 11 July 2014

SUMMARY

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2. Draft minutes of Council meetings
- a) 3309th meeting of the Council of the European Union (Foreign Affairs), held in Luxembourg on 14 and 15 April 2014
 - b) 3312th meeting of the Council of the European Union (Foreign Affairs), held in Brussels on 12 May 2014
3. Case before the General Court
- Case T-316/14 (Kurdistan Workers' Party (PKK) v. Council of the European Union)
4. Case before the EU General Court
- Case T-434/14, Sergej Arbuzov v. Council
5. Case before the Court of Justice of the European Union
- C-232/14 (Portmeirion Group v. The Commissioners For Her Majesty's Revenue & Customs, Reference for a preliminary ruling from the First Tier Tribunal (Tax Chamber) (United Kingdom))
6. Committee of the Regions
- Council Decision appointing two Estonian members and two Estonian alternate members of the Committee of the Regions
7. Transparency - Public access to documents
- Confirmatory application No 16/c/01/14
8. Transparency - Public access to documents
- Complaint 689/2014/BEH made to the European Ombudsman
9. Recommendation to the Council concerning the approval of a second-party evaluated cryptographic product
10. Proposal for a Regulation of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund and amending Regulation (EU) No 1093/2010 of the European Parliament and of the Council (First reading)

11. 11th Meeting of the EU-Former Yugoslav Republic of Macedonia Stabilisation and Association Council (Brussels, 23 July 2014)
12. Draft Council Decision extending the validity of Decision 2011/492/EU and suspending the application of appropriate measures
13. Draft Council Decision on the position to be taken on behalf of the European Union with regard to the participation in the CARIFORUM-EU Consultative Committee provided for by the Economic Partnership Agreement between the CARIFORUM States, of the one part, and the European Community and its Member States, of the other part
14. CARIFORUM-EU Economic Partnership Agreement
 - Draft Commission letter on the import treatment of EU used vehicles by Barbados, Jamaica, Suriname, Trinidad and Tobago
15. Council Decision on aspects of the deployment, operation and use of the European Global Navigation Satellite System affecting the security of the European Union and repealing Joint Action 2004/552/CFSP
16. Council Decision amending Decision 2013/527/CFSP amending and extending the mandate of the European Union Special Representative for the Horn of Africa
17. Council Decision amending Decision 2012/389/CFSP on the European Union Mission on Regional Maritime Capacity Building in the Horn of Africa (EUCAP NESTOR)
18.
 - Council Decision amending Common Position 2003/495/CFSP on Iraq
 - Council Regulation amending Regulation (EC) No 1210/2003 concerning certain specific restrictions on economic and financial relations with Iraq
19.
 - Council Decision 2012/285/CFSP concerning restrictive measures directed against certain persons, entities and bodies threatening the peace, security or stability of the Republic of Guinea-Bissau
 - Council Regulation (EU) No 377/2012 concerning restrictive measures directed against certain persons, entities and bodies threatening the peace, security or stability of the Republic of Guinea-Bissau
20.
 - Council Implementing Decision implementing Decision 2011/137/CFSP concerning restrictive measures in view of the situation in Libya
 - Council Implementing Regulation implementing Article 16(2) of Regulation (EU) No 204/2011 concerning restrictive measures in view of the situation in Libya

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28. Reply to written question put to the Council by Members of the European Parliament
 - E-004601/2014 - Silvia-Adriana Țicău (S&D)
Protection of EU citizens from the Ebola virus
29. Council Decision concerning the renewal of the Agreement on cooperation in science and technology between the European Community and Ukraine
30. Commission Regulation (EU) No .../.. of XXX amending Annex II to Regulation (EC) No 1333/2008 of the European Parliament and of the Council and the Annex to Commission Regulation (EU) No 231/2012 as regards the removal of montan acid esters (E 912)
31. (poss.) Proposal for a Council Regulation on establishing the fishing opportunities for anchovy in the Bay of Biscay for the 2014/15 fishing season
32. Draft Council Decision adjusting the allowances provided for in Decision 2007/829/EC concerning the rules applicable to national experts and military staff on secondment to the General Secretariat of the Council

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1. Adoption of the provisional agenda and "I" items

doc. 11683/14 OJ/CRP1 26

11633/1/14 REV 1 OJ/CRP2 26

The above-mentioned agendas are approved with the following change:

The following item is **added** :

(Coreper Part 2, under I)

27. Council Decision amending Decision 2012/392/CFSP on the European Union CSDP mission in Niger (EUCAP Sahel Niger)

11382/14 PESC 691 CSDP/PSDC 399 COAFR 191 EUCAP SAHEL 11 CSC 149

10950/14 PESC 609 CSDP/PSDC 363 COAFR 171 EUCAP SAHEL 9 CSC 135

The Committee approved the "I" items as set out in the summary. Details are contained in the document quoted under item 1.

DE, joined by AT, EE, FI, MT, SK, NL, BG and RO made a statement on the following item:

10. Proposal for a Regulation of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund and amending Regulation (EU) No 1093/2010 of the European Parliament and of the Council (First reading)

- Adoption of the legislative act

11277/14 CODEC 1524 EF 183 ECOFIN 704

PE-CONS 88/14 EF 120 ECOFIN 337 CODEC 976

"Article 6(4) of the SRM Regulation sets out that '*Decisions or actions of the Board or of the Commission/Council shall neither require Member States to provide extraordinary public financial support nor impinge on the budgetary sovereignty and fiscal responsibilities of the Member States.*'

In its 11 September 2013 opinion on the proposed legal basis (doc. 13524/13), the Council Legal Service had explicitly stressed that '*the funding of resolution may under no circumstance engage the budgetary liability of the Member States. Article 114 TFEU cannot be used to compel directly or indirectly Member States to make further contributions to the budget of the Union or any of its bodies beyond the system of own resources of the Union as laid down in Article 311 and the own resources decision*' (paragraph 54).

All provisions as well as the preamble of the SRM Regulation must be interpreted in line and conformity with the above mentioned elements. No provision or recital may be interpreted as requiring, or leading to, any public financial support or measures impinging on the budgetary sovereignty and fiscal responsibilities of Member States."

Coreper Part 2

II

21. Presidency priorities

- Presentation by the Presidency

Presidency informed the Committee on its Working Programme.

22. Debrief of the G20 Sherpa meeting (Melbourne, Australia, 23/24 June 2014)

The Commission debriefed the Committee on the G20 Sherpa meeting that took place in Melbourne, Australia on 23/24 June 2014. Main issues discussed at the meeting were the G20 Growth strategies, Investment/infrastructure, trade, financial regulation, tax transparency, IMF reform, energy, employment, development, anti-corruption and envisaged outcomes for the Brisbane G20 Summit.

23. Follow-up to the Council meeting (Economic and Financial Affairs) on 8 July 2014

The Committee took note of the issues discussed at this Council meeting and the meetings in its margins, including:

- During the Macro-Economic Dialogue: the current economic situation and the priorities of the Italian Presidency.
- During the breakfast: the usual debrief of the Eurogroup meeting and an exchange of views on the economic situation, followed by an informal exchange of views on policy issues ahead, and an update on the situation regarding the precautionary balance-of-payments programme for Romania.
- At the ECOFIN itself, under 'Any Other Business' (legislative): a debrief on the preparation of level 2 legislation concerning bank contributions under the Bank Recovery and Resolution Directive and the Single Resolution Mechanism.
- The Italian Presidency working programme in the Ecofin area: in this context, the Council adopted a statement on growth and reforms.

- A short policy debate on the review of the EU 2020 strategy.
- An update on negotiations with third countries in the field of Savings taxation.
- During the informal meeting after the Council: Asset Quality Review (AQR) and stress tests. Ministers were debriefed by the Chair of the Supervisory Board of the Single Supervisory Mechanism, the ECB Vice-President, the Chair of the European Banking Authority and the Chair of the European Securities and Markets Authority. In this setting Ministers agreed on the terms of reference for rules to be used in case these AQR and the stress test reveal capital shortfalls.

24. Preparation of the Council meeting (General Affairs) on 23 July 2014

- Other items in connection with the Council meeting

Under the preparation of the July General Affairs Council, the Committee had a discussion on the follow-up and the implementation of the European Council conclusions.

25. Draft budget of the European Union for the financial year 2015

- **Council position**
11532/14 FIN 454
+ ADD 1
+ ADD 2
+ ADD 3
+ ADD 4
+ ADD 5

The Committee took note of the state of discussion in the Budget Committee and held an exchange of views on the main elements to be included in the Council's position on the draft general budget for 2015. The Committee instructed the Budget Committee to continue its work to prepare an overall agreement on the Council's position on the draft general budget for 2015. It will come back to this issue at its meeting on 15 July 2014.

The Secretary-General of the Council recalled the importance of maintaining an institutional balance between the two arms of the budgetary authority by ensuring a similar approach in the examination of their draft budgets. The Committee supported this principle.

26. Ukraine (restricted session)

The Committee discussed further restrictive measures under the existing listing criteria on the basis of a list of additional names of individuals responsible for undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (DS 1316/14 CONFIDENTIEL UE/EU CONFIDENTIAL). Following consultation of capitals, the Committee reached agreement on the listings proposed and agreed to use the written procedure for the adoption of the respective Council Decision and Council Implementing Regulation.

Coreper Part 1

II

33. Atlanto Scandian herring dispute with the Faroe Islands

- **Follow-up to the Commissioner Damanaki's letter to the Faroese authorities**
11582/14 PECHE 342
11232/14 PECHE 330
11567/14 PECHE 339
11723/14 PECHE 350

The Committee discussed options for responding to the Commission's actions regarding the finalisation of the dispute with the Faroe Islands on Atlanto Scandian Herring (ASH). On matters of procedure, very strong concerns were expressed by a great number of delegations regarding the fact that the Commission disregarded the text of a letter as previously authorised in the Council (doc. 11232/14), and that the modifications to this text clearly contain political commitments that go beyond the Commission's prerogatives.

Many delegations indicated their deep regret for the Commission's disrespect for the Council's prerogatives outlined in Art. 16 (1) TEU. They called for the Commission to seriously reflect on how these actions are undermining the EU's international position, and on how they fall very far short of the concept of constructive cooperation.

It was agreed that the Council send a letter to the President of the Commission expressing the strong preoccupation with the Commission's lack of respect of the Council's prerogatives.

In addition, in order to ensure the necessary authorisation for the next procedural steps and safeguard the Council's prerogatives, the Committee endorsed a proposal for a Council Decision to discontinue the relevant WTO and UNCLOS proceedings if the trade measures currently applicable to the Faroe Islands cease to apply, to be adopted by an upcoming Council.

In this respect, the Commission submitted the following statement for the minutes of the Committee:

"The Commission takes note that the Council would adopt on its own initiative a "*Council Decision*" stating that "*on the condition that the Commission adopts (...) an implementing act pursuant to which the trade measures currently applicable to the Faroe Islands cease to apply, the Union should request the termination of the litigations in the UNCLOS arbitration case 2013-30 and in the WTO dispute DS469*", and instructing the Commission "*to undertake, subject to the above condition, the steps necessary for the submission, by the Union and by the Faroe Islands, of a joint request for termination of the said UNCLOS and WTO proceedings*".

However, the Commission is of the opinion that no such endorsement or decision is legally required and that no such instructions can be given in this context since the discontinuation of dispute settlement proceedings is an act of representation of the European Union in litigation. This can therefore not constitute a precedent.

In that respect, the Commission restates the position which it has consistently taken to the effect that it is empowered by the Treaties, namely on the basis of Article 17, paragraph 1, sentences 1 and 2, TEU and Article 335 TFEU, to make such a joint request on behalf of the European Union.

The Commission furthermore does not accept that it repeatedly ignored Council prerogatives."

– **Any other business**

- **Roadmap on 2030 framework on Climate and Energy**
 - **Information from the Presidency**

The Committee took note of the information provided by the Presidency on the roadmap towards agreement on the 2030 framework for climate and energy. The Chair took note of comments by the Commission and several delegations, and concluded that the Presidency would keep delegations updated on developments and return to the issue as needed.

- **Serbia and Bosnia and Herzegovina**

The Commission, supported by the French and Slovenian delegations as co-organisers, referred to the ministerial-level donors' conference to be held in Brussels on 16 July 2014, in order to help Serbia and Bosnia and Herzegovina to address the problems caused by the unprecedented floods in May 2014.
