



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 25 June 1999 (19.07)
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9603/99

LIMITE

PUBLIC 6

TRANSPARENCY

Subject : MONTHLY SUMMARY OF COUNCIL ACTS
MAY 1999

This document contains:

- in **Annex I**, a summary of definitive legislative acts adopted by the Council in May 1999. It is accompanied by statements in the minutes (**Annex II**). The summary also mentions any votes against and abstentions, as well as explanations of voting.

It should be noted that only the minutes concerning the definitive adoption of legislative acts are authentic. Extracts from the minutes in question, and the information contained in Annexes I and II hereto, are available to the public on the Internet at the "Eudor" website (<http://www.eudor.com>; see "Transparency of the Council's legislative activities");

- in **Annex III**, a list of the other acts¹ adopted by the Council in May 1999, with a reference, where appropriate, to voting results, explanations of voting and statements which the Council or Coreper have decided to make public.

¹ With the exception of other acts of limited scope such as procedural decisions, appointments, decisions of bodies set up by international agreements, specific budgetary decisions, etc.

MAY 1999			
DEFINITIVE LEGISLATIVE ACTS	TEXTS ADOPTED	STATEMENTS	VOTES AND EXPLANATIONS OF VOTE
<p>2175th Council meeting (Economic and Financial Questions) on 10 May 1999</p> <p>Directive of the European Parliament and of the Council amending for the 17th time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (originally 18th amendment)</p> <p>Decision of the European Parliament and of the Council establishing a Community action for the "European Capital of Culture" event for the years 2005 to 2019</p> <p>2176th Council meeting (Energy) on 11 May 1999</p> <p>Directive of the European Parliament and of the Council establishing a mechanism for the recognition of qualifications in respect of the professional activities covered by the Directives on liberalisation and transitional measures and supplementing the general systems for the recognition of qualifications</p> <p>Directive of the European Parliament and of the Council amending Council Directive 89/398/EEC on the approximation of the laws of the Member States relating to foodstuffs intended for particular nutritional uses</p>	<p>PE-CONS 3613/99 + COR 1</p> <p>PE-CONS 3610/99 + COR 1 (p) + COR 2 REV 1 (s) + COR 3</p> <p>PE-CONS 3612/99 + COR 1 (fin)</p> <p>PE-CONS 3607/99 + COR 1 (fin) + COR 2 (gr)</p>	<p>87/99, 88/99</p> <p>89/99</p>	

MAY 1999			
DEFINITIVE LEGISLATIVE ACTS	TEXTS ADOPTED	STATEMENTS	VOTES AND EXPLANATIONS OF VOTE
<p>Directive of the European Parliament and of the Council concerning the approximation of the laws, regulations and administrative provisions of the Member States relating to the classification, packaging and labelling of dangerous preparations</p> <p>2178th Council meeting (Agriculture) on 17 May 1999</p> <p>AGENDA 2000: Regulations on reform of the common agricultural policy</p> <ul style="list-style-type: none"> • Regulation establishing a support system for producers of certain arable crops • Regulation amending Regulation (EEC) No 1766/92 on the common organisation of the market in cereals and repealing Regulation (EEC) No 2731/75 fixing standard qualities for common wheat, rye, barley, maize and durum wheat • Regulation amending Regulation (EC) No 1868/94 establishing a quota system for the production of potato starch • Regulation on the common organisation of the market in beef and veal • Regulation on the common organisation of the market in milk and milk products • Regulation amending Regulation (EEC) No 3950/92 establishing an additional levy in the milk and milk products sector • Regulation on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) 	<p>PE-CONS 3606/99 + COR 1 (gr) + COR 2 (f) + COR 3 (f)</p> <p>7403/99</p> <p>7405/99</p> <p>7404/99</p> <p>7406/99</p> <p>7407/99</p> <p>7408/99</p> <p>7409/99 + COR 1 (dk)</p>	<p>90/99, 91/99, 92/99, 93/99, 94/99, 95/99</p> <p>96/99, 97/99, 98/99, 99/99, 100/99, 101/99, 102/99, 103/99, 104/99, 105/99, 106/99, 107/99, 108/99, 109/99, 110/99, 111/99, 112/99, 113/99, 114/99, 115/99, 116/99, 117/99, 118/99, 119/99, 120/99, 121/99, 122/99, 123/99, 124/99, 125/99, 126/99, 127/99, 128/99, 129/99, 130/99, 131/99, 132/99, 133/99, 134/99, 135/99, 136/99, 137/99, 138/99, 139/99, 140/99, 141/99</p>	

MAY 1999			
DEFINITIVE LEGISLATIVE ACTS	TEXTS ADOPTED	STATEMENTS	VOTES AND EXPLANATIONS OF VOTE
<ul style="list-style-type: none"> Regulation on the financing of the common agricultural policy Regulation establishing common rules for direct support schemes under the common agricultural policy Regulation on the common organisation of the market in wine <p>Council Regulation (EC) amending Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes as regards the deadlines for submitting applications for compensatory payments under the aid scheme for rice producers</p> <p>Directive of the European Parliament and of the Council on certain aspects of the sale of consumer goods and associated guarantees</p> <p>2181st Council meeting (Economic and Financial Questions) on 25 May 1999</p> <p>Council Directive amending, with regard to the level of the standard rate, Directive 77/388/EEC on the common system of value added tax</p> <p>Council Regulation (EC, Euratom) amending Regulation (EC, Euratom) No 2728/94 establishing a Guarantee Fund for external actions</p>	<p>7410/99</p> <p>7411/99</p> <p>7425/99</p> <p>8041/99</p> <p>PE-CONS 3604/99 + COR 1 (f) + COR 2 (d)</p> <p>5774/99 + COR 1</p> <p>8151/99</p>	<p>142/99</p> <p>143/99</p>	<p>Against: I</p> <p>Against: DK Abstention: NL</p>

MAY 1999			
DEFINITIVE LEGISLATIVE ACTS	TEXTS ADOPTED	STATEMENTS	VOTES AND EXPLANATIONS OF VOTE
<ul style="list-style-type: none"> Regulation (EC) of the European Parliament and of the Council concerning investigations conducted by the European Anti-fraud Office (OLAF) Council Regulation (Euratom) concerning investigations conducted by the European Anti-Fraud Office 	PE-CONS 3615/1/99 REV 1 8052/99 + COR 1 + COR 2 (nl) + COR 3 (fin)	144/99, 145/99	

STATEMENT 87/99

The Council notes that it is the intention of the Netherlands and Greece to exchange positions in the list in Annex I to the text of the Decision.

STATEMENT 88/99

The Council notes that enlargement of the Community will not require any amendment of Annex I to the text of the Decision.

STATEMENT 89/99

Statement by the Belgian delegation

"The Belgian authorities consider that the reference to "specific national rules" cannot be interpreted in such a way as to deprive the host Member State of its right to avail itself of the derogation accorded it under Article 3."

STATEMENT 90/99

Re Article 16

"The Commission considers that the provisions of Article 16 of the Directive do not affect the right of Member States recognised by the Treaty to introduce greater worker protection, in particular Article 8(3) of Directive 98/24/EC, by requiring safety data sheets to be supplied for preparations containing a substance for which there are national exposure limits at the workplace."

STATEMENT 91/99

Re Annex V

"The Commission undertakes to examine the need for special labelling on the sensitising properties of cement which has not been treated with reducing agents for chromium (VI) compounds in order to avoid work-related skin illnesses and, if necessary, make a proposal for an adaptation to technical progress of Annex V with regard to this problem, if possible, before the Directive is implemented."

STATEMENT 92/99

Re Annex V

"The Greek delegation pointed out that it would have preferred a statement to the effect that all products which may have sensitising effects ought to be examined. The Council took note of that position."

STATEMENT 93/99

Re Annex VIII, Part C

"The Commission will continue to analyse together with the Member States the classification criteria on acutely toxic effects of substances and preparations in the working group on classification and labelling of dangerous substances for Directive 67/548/EEC and in the OECD Advisory Group on Harmonisation of Classification and Labelling."

STATEMENT 94/99

Unilateral statement by the French delegation

"The French delegation believes it would be desirable to consider harmonising the criteria for the classification of products in the Directive on dangerous preparations and in those relating to products outside its scope, such as cosmetics."

STATEMENT 95/99

Statement by the Danish, Spanish and Italian delegations re Article 20

"The Danish, Spanish and Italian delegations state that acceptance of a type III(a) committee, as referred to in Article 20 of the proposal for a Directive on the classification, packaging and labelling of dangerous preparations, does not constitute a precedent for the purposes of the present discussion of the proposal for a Council Decision laying down the rules for the exercise of the implementing powers conferred on the Commission and is without prejudice to future Danish, Spanish and Italian policy on the choice of committee procedure."

STATEMENT 96/99

I. ARABLE CROPS

Commission statement on oilseeds

"The Commission states that the agri-environmental programmes covering sunflower and spring rape production could be approved within the framework of the Regulation on rural development provided that they involve more than simply normal good farming practice."

STATEMENT 97/99

Council statement on oilseeds

"The Council asks the Commission to follow developments on the oilseed market closely and to submit a report within two years of the application of the new arrangements. If necessary, this report will be accompanied by appropriate proposals should production potential deteriorate seriously."

STATEMENT 98/99

II. BEEF AND VEAL

Council statement

Extensification premium

"The Council asks the Commission to follow closely the expenditure resulting from the application of the extensification premium, and if need be to adjust its amount, in accordance with Article 11(3) of the Regulation".

STATEMENT 99/99

Council statement

Slaughter premium

"The Council confirms that the slaughter premium is paid, in particular, on proof that the animal is slaughtered (irrespective of the Member State in which slaughtering takes place) or on proof of export to a third country."

STATEMENT 100/99

Council statement

Intervention

"The Council asks the Commission to follow closely the European beef market and to take, if need be, the relevant measures in particular by using Article 34 of the Regulation. These measures might also include ad hoc intervention buying-in."

STATEMENT 101/99

Statement by the Spanish delegation

Slaughter premium (Article 12)

"The Spanish delegation wants to express its fears that the slaughter premium as contained in the draft Regulation may cause serious distortions in intra-Community trade in live animals intended for slaughter and difficulties in applying the premium to animals fattened in one Member State and slaughtered in another.

The Spanish delegation thinks that another interpretation of the Compromise would be possible and would allow account to be taken of real trade in live animals intended for slaughter when fixing national limits on the slaughter premium.

The Spanish delegation thinks that this other interpretation would make it possible to safeguard traditional patterns of trade and to avoid distortions in applying the slaughter premium.

For this reason, the Spanish delegation reserves the option of asking for changes in application of this aid should the abovementioned anomalies be detected."

STATEMENT 102/99

III. MILK AND MILK PRODUCTS

Statement by the Luxembourg delegation

"The Luxembourg delegation records its agreement to the Regulations on reform of the common agricultural policy.

That agreement does not prejudge the position which the Luxembourg delegation will adopt at the time of the mid-term review of the common organisation of the market in milk and more especially the milk-quota regime."

The Austrian delegation supports this statement.

STATEMENT 103/99

IV. RURAL DEVELOPMENT

Commission statement

Article 2

"The Commission states that organic farming is an important element of agricultural activities and that it is therefore covered by the Rural Development Regulation, and in particular Chapters I, VI and VII thereof."

STATEMENT 104/99

Commission statement

Article 4 and Article 6

"The Commission will ensure that the implementation rules concerning Article 4 and Article 6 will enable Member States to implement restructuring schemes in order to create sustainable holdings of all types that comply with environmental and animal welfare requirements."

STATEMENT 105/99

Commission statement

Articles 5, 8 and 26

"Minimum standards regarding the environment, hygiene and animal welfare to be respected by beneficiaries of investment aid in agricultural holdings and in the processing and marketing of agricultural products as well as for the setting-up aid for young farmers are at least the existing legal Community standards in these areas. Their respect has to be proved at the time of application, with the exception of the setting-up aid for young farmers for which the implementing rules might establish an adaptation period to achieve the minimum standards."

STATEMENT 106/99

Commission statement

Article 11(2)

"With reference to the conditions provided for in Article 11(2) it is for the Member State to define, in particular, the degree of improvement required in economic viability."

STATEMENT 107/99

Commission statement

Article 13

"The Commission recognises that Member States may experience adjustment problems in converting to the new system of compensatory allowances in less-favoured areas, and in particular in switching to hectare payments. Transitional arrangements for the adaptation of national systems to the new Community provisions may be necessary for which provision shall be made in the transition rules under Article 53 of the Rural Development Regulation."

STATEMENT 108/99

Commission statement

Articles 22 and 24

"The maintenance of low-intensity farming of benefit to the environment will continue to be eligible for support. This will occupy a central position in many agri-environmental programmes. The level of premia shall be determined with regard to the loss of income and additional costs incurred, including a necessary incentive element, compared to the normal alternative activity – either a more intensive use of the land, or the abandonment of activities that are essential for the maintenance of the environment."

"The Commission states that the agri-environmental programmes covering sunflower and spring rape production could be approved within the framework of the Regulation of the rural development provided that they involve more than the application of usual good farming practices."

STATEMENT 109/99

Commission statement

Article 29

"The Commission declares that Article 29(3) of the proposal on support for rural development from the EAGGF allows the eligibility of forests and forest areas owned by municipalities or their associations independently from the person or body realising the investment and forests and forest areas on which the right of exploitation, conservation and improvement has been passed by law or by any other contractual act and is implemented by private legal entities."

STATEMENT 110/99

Commission statement

Article 33

"In the framework of Article 33, and in particular of the tenth indent thereof, it is possible to intervene in favour of micro-enterprises to complete downstream activities foreseen under the third indent of Article 30(1), "filière" wood."

"Provided that the actions are covered and may be integrated into the activities for the adaptation and conversion of rural areas under Article 33, the Commission may allow the eligibility of:

- experiences of a demonstrative character in the fields of agriculture and forestry, in particular
 - + for the development and transfer of new technologies
 - and
 - + for the development and dissemination of farming methods compatible with the environment
- agricultural advisory services.

Consequently, these actions might be developed under the following items:

- land improvement, reparation, water resource management
- setting up of farm relief and farm management services
- marketing of agricultural quality products
- diversification of activities
- protection of the environment and management of rural areas."

STATEMENT 111/99

Commission statement

Article 34

"The Commission declares its disposition to organise the STAR Committee in a way to allow forestry experts active participation in the committee's work. Furthermore, it is reminded that the Standing Forestry Committee will further on have its role for the discussion of forestry issues of general importance outside the Rural Development Regulation".

STATEMENT 112/99

Commission statement

Article 37(3)

"In the estimation of the Commission a clear line of demarcation must be established between the financing of structural actions in the framework of the Rural Development Regulation and the Regulations relating to the CMOs. To this end, the Commission commits itself to undertake appropriate initiatives either at the level of the implementing rules for the Rural Development Regulation or through modifications to certain Regulations concerning the CMOs".

STATEMENT 113/99

Commission statement

Article 37(4)

"The Commission states that, with regard to the further or more restrictive conditions set out in Article 37(4), Member States may give priority to agricultural holdings that undertake to implement a coherent combination of eligible actions, managed in synergy, under the present Regulation".

STATEMENT 114/99

Commission statement

Article 47(1)

"With reference to the application to the respect of minimum standards regarding the environment, hygiene and animal welfare foreseen under Chapters I, II, V and VII of the Regulation on support for rural development, the Commission states that the "Guidelines concerning the application and the conformity audits relating to the environmental clause (Article 3) foreseen in the Horizontal Regulation" apply "mutatis mutandis."

STATEMENT 115/99

Commission statement

Article 51(2)

"With a view to limiting the possible effects of state aid allowed under Article 51(2) on an increase in productive capacity, the Commission declares that it shall adopt detailed terms and conditions for the implementation of these provisions after consulting Member States in accordance with the normal procedures applicable in the field of state aids."

STATEMENT 116/99

Commission statement

Article 55

"The Commission declares its disposition to integrate measures to encourage the setting-up of producer groups and associations thereof in the Common Market Organisations where such an instrument is not foreseen, provided that the creation of such a measure is revealed to be necessary."

STATEMENT 117/99

Council statement on Article 37(3)

"With a view to elaborating the programmes on rural development by the Member States, the Council requests the Commission to report to the STAR Committee on the implementation of the Commission statement on Article 37(3) by mid-1999.

The Council requests the Commission to take into account as far as possible the continuation of proven rural development measures in the application of Article 37(3)

The Council underlines its view that the promotion of structural measures takes place primarily within the framework of the Regulation on Rural Development."

STATEMENT 118/99

Statement on Portugal

- (i) The Council recalls the following statement agreed by the Berlin European Council on 24/25 March 1999:
- "The European Council, taking into account the specificity of Portuguese agriculture, recognises the need to improve the balance of the support granted to agriculture by means of rural development measures, financed by EAGGF Guarantee."
- (ii) "The Commission states that, when implementing the rural development rules, it will take into account the socio-economic conditions of the rural economy in Portugal."

STATEMENT 119/99

V. FINANCIAL REGULATION

Commission statement

Re Article 1(2)(e)

By 31 December 2001 at the latest, the Commission will submit a report on information activities concerning the CAP and the evaluation, accompanied by proposals if appropriate.

STATEMENT 120/99

Commission statement

Re Article 5(1)

- The "advances on the provision" are traditional payments made by the EAGGF Guarantee Section on the third day of the second month following that in which the expenditure was effected by the Member States.
- The "advance payments for programme implementation in the framework of rural development measures" are a kind of working capital fund available to Member States at the start of the programmes.

STATEMENT 121/99

Commission statement

Re Article 7(4), subparagraph 5, second indent

As regards the application of the 24-month rule in the second indent of subparagraph 5 of Article 7(4) of the CAP financing Regulation, the concept of measures and actions as referred to in Article 3 of that Regulation will be specified, where necessary, in detailed rules by the Commission.

STATEMENT 122/99

Commission statement

Re Article 18

If there are problems with regard to paying agencies or financial management agencies following the transfer of certain Funds to the Guarantee Section, the Commission will endeavour to find solutions in the context of the implementing procedures and the transitional measures.

STATEMENT 123/99

Commission statement

Re Article 19

The Commission will indicate at least two months in advance within the EAGGF that the closing date of the EAGGF Guarantee Section accounting period is about to change.

STATEMENT 124/99

Statement by the Italian delegation

The Italian delegation would refer to the comments it made at the meetings of the Agrifin Working Party, the SCA and Coreper on the legal basis of the proposal for a Regulation on the financing of the common agricultural policy, which should be Article 279 (former Article 209) of the Treaty (which provides for unanimity), both because these are amendments to Regulation 729/70 (also approved unanimously), and because provision is made, *inter alia*, for the financing of new measures by the EAGGF, Guarantee Section. Here, it would reiterate the view taken by the Court of Auditors in its Opinion No 10/98, which points out that the reference to Article 37 (former Article 43) of the Treaty would make consultation of the Court of Auditors optional, which would run counter to the general Financial Regulation of the European Union.

The Italian delegation would also point out that, back in May 1998, it voiced its opposition to any reference in the recitals to the possibility of applying the financial corrections for the reasons set out in the following unilateral statement to Coreper:

"The Italian delegation finds the Commission's increasingly frequent recourse to flat-rate financial corrections unacceptable and unfair:

- it is based not on a Regulation approved by the Council but on unilaterally adopted Commission guidelines;
- the reduction in aid hits excessively hard, varying as it does between 2% and 25% of the amount due; it is not based on any real documentary check on the admissibility and regularity of expenditure but rather on subjective assessments which lead to the percentage of error found in a sample being applied to the entire sector;
- the Commission's excessive powers, without clear legal basis, lead to abuses and to discrimination between Member States and sectors, as found by the Court of Auditors in Special Report No 2/98;
- the percentage rates of the corrections rise not in relation to objective criteria but under pressure from the European Parliament, which, it should be noted, has no decision-taking powers for compulsory expenditure;

- the claimed staff shortages have no basis in fact: the Commission has a staff of more than 20 000, who could be used to scrutinise the regularity of expenditure for the clearance of accounts and to check payments made;
- not being verified analytically, the cut in aid is greater than the real injury to the Community budget and unfairly penalises the Member State concerned, which, moreover, cannot bring any claim for the recovery of payments made in advance.

In view of the above, the Italian delegation calls on the Commission to submit to the Council appropriate amendments to the proposal for a Regulation on the financing of the common agricultural policy; these would provide for the accounts to be cleared on the basis of objective criteria, give a clear indication of admissible expenditure and specify the penalties for fraud, excluding irregularities causing no prejudice to the Community budget because linked to administrative organisation in the individual Member States. The latter aspect would include delays in payment and control weaknesses.

In particular, in cases involving a serious degree of irregularity there should be systematic scrutiny of the entire expenditure documentation, while in other cases the system of sample checks should involve advance definition of a representative sample of payments made and provide a clear definition of types of administrative unit, on which to base extrapolations of the percentage of irregular payments."

In this connection, the Italian delegation pointed out that, in order to regulate the application of the financial corrections, the content of Regulation No 1287/95 should be amended.

It therefore asked the Commission to undertake to submit a proposal for amendment of the Financial Regulation for the common agricultural policy, based on the following principles:

- applicability of the corrections only, by way of exception, in cases involving a serious degree of irregularity and for which analytical controls of the documentation relating to expenditure cannot be carried out;

- application of checks on samples representative of the payments made, subject to a definition of the various types of administrative unit, on the basis of which the percentage of irregular payments may be extrapolated for the purposes of applying the correction percentage, which should not exceed 5% of the admissible aid;
- proportionality of the corrections with the extent of fraud ascertained and the loss suffered by the Community budget for the specific item;
- ruling out of corrections for late payment and inadequacy of controls, where no prejudice has resulted for the Community budget.

Lastly, it requested that the terms "irregularities" and "negligence" should be deleted from Article 8 and replaced by the word "fraud". Also, Article 7(4) (clearance of accounts) should specify that expenditure could be deemed non-admissible only in cases of proven fraud which had actually been committed.

With regard to the scope, it suggested establishing criteria and procedures for evaluating measures financed by the EAGGF – Guarantee Section.

Bearing in mind the Commission's unwillingness to submit appropriate amendment proposals either for the specific issues requested above or for avoiding any discrimination that might result from the rules governing the various funds, **the Italian delegation is voting against the proposed Regulation**, for the abovementioned reasons.

STATEMENT 125/99

Statement by the Portuguese delegation

Article 5(1), second subparagraph

In order to prevent discrimination between regions of the European Union, the advance payments provided for in this subparagraph, in the framework of rural development measures not covered by Objective 1, should not benefit from a higher percentage level than that laid down for similar measures covered by Objective 1.

STATEMENT 126/99

Statement by the Portuguese delegation

Article 7(4), fifth subparagraph

We think that, as regards the basis established for calculating financial adjustments, consideration should be given to the possibility of amending the new system for clearing the accounts.

Financial adjustments should never be dissociated from expenditure declared for a financial year. The application of financial adjustments for up to 24 months prior to the drawing up of an audit of conformity report is not, in our view, representative of the actual risk of loss for the EAGGF.

Replacement of the concept of reference period by that of financial year would mean that any refusal to finance the expenditure referred to in Article 2 would relate solely to expenditure effected in the financial year covered by the audit of conformity.

The application of financial adjustments must be based on clearer rules guaranteeing uniform and more transparent future treatment.

STATEMENT 127/99

Statement by the United Kingdom delegation

Re Article 1(2)(e)

"The United Kingdom reaffirms its opposition in principle to the funding of evaluation measures and information on the CAP from the Guarantee Section of the budget. It is, however, prepared to agree to their inclusion in the interest of securing agreement to the Regulation as a whole. It welcomes the Commission's undertaking to report to the Council on these measures and calls upon the Commission to publish the results of evaluation studies as they are completed."

STATEMENT 128/99

Statement by the Netherlands delegation

"The Netherlands have doubts about a specific part of the draft Council Regulation on the financing of the common agricultural policy, namely the new Article 19, for the following reasons:

Firstly, any financial resources that remain unspent should be transferred back to the Member States. Besides, a decision to reallocate budgetary resources is the prerogative of the budget authorities.

Secondly, this proposal might create an unwanted precedent when budgetary resources fall short in any year, i.e. the budgetary year might be shortened.

Finally, in giving practical form to the conclusions of the European Council in Berlin, the Netherlands would prefer to stick closely to those conclusions. Article 19 is no part of the Berlin conclusions."

STATEMENT 129/99

VI. HORIZONTAL REGULATION

Statement by the Council and the Commission

"For management purposes, data on the employment and/or overall prosperity criterion used to reduce the amounts paid to farmers in a given calendar year may be established for any 12-month period ending during the last quarter of that year.

For the criterion on the total amount of payments, payments made during that year or the previous year may be taken into account.

The amounts paid to farmers may be reduced on a provisional basis in a given year and adjusted the following year."

STATEMENT 130/99

Commission statement

"In the context of the Common Agricultural Policy, the environmental clause is a new instrument of major importance for the Horizontal Regulation. The policy objective pursued in this clause is better to integrate environmental protection requirements in the definition and application of the common market organisations (Article 174(2) of the Treaty). Whilst creating an obligation to take action, the clause gives Member States very wide discretion in deciding on the measures to be taken.

In comparison with existing CAP instruments, the application of the environmental clause will be noteworthy for:

- the particularly general nature of the criteria to be observed,
- the very wide discretion given to Member States and
- the fact that the Commission will, to a large extent, refrain from intervening in the application of the clause by Member States, both in its implementing legislation and in its assessment of the national measures taken.

This being the case, the Commission will, in the context of the conformity audits and in particular the related monitoring, take due account of the specific resulting application conditions and will exercise its powers in this matter with the appropriate prudence. The Commission will also take account of the difficulties which will inevitably arise when the clause first becomes operational.

The cases that would thus be taken into account with a view to the possible application of financial corrections would be limited to those:

- where there has been an obvious and important infringement, and
- where there is an identifiable link between the infringement and expenditure by the Guarantee Section of the EAGGF, and

- where it can be established that there has been a definite financial loss for the Community budget.

The mechanism for the exchange of information set out in Article 9 of the Regulation will contribute to the proper application of the environmental clause by facilitating the identification and timely solution of possible difficulties and differences of opinion between the Commission and Member States."

STATEMENT 131/99

VII. WINE

1. Statements by the Council and the Commission

(a) Re new planting rights

The new planting rights granted under Article 6 shall also cover the needs of the physical improvement plans and of young farmers, including in the framework of restructuring measures.

STATEMENT 132/99

(b) Re inventory of production potential (Article 16)

The inventory is not to be confused with the vineyard register: it is not an instrument in itself but, derived from other elements such as the data available from the Community vineyard register, registers of VQPRD, etc. As such, it is not expected to contain individual personal data, rather it is meant to include reliable, well-founded, aggregate data.

STATEMENT 133/99

(c) Re producer and interbranch organisations

The Council and the Commission state that Article 41 of this Regulation is without prejudice to the ECJ ruling on "obligatory bottling in the region of production". The Commission and the Council will re-examine this question in the light of the ruling of the ECJ on Case 388/95.

STATEMENT 134/99

(d) Re inclusion of new wine-growing zones

Vineyards in Denmark, Sweden, and Ireland are classified in Zone A.

Should the area of such vineyards exceed respectively:

99 hectares in Denmark,

99 hectares in Sweden,

99 acres in Ireland,

the Commission and the Council will re-examine whether the use of saccharose in the Member State in question should continue to be authorised.

STATEMENT 135/99

2. Commission statements

(a) General statement

When implementing the Council Regulation on wine, the Commission will take account of the political compromise contained in 6687/99.

STATEMENT 136/99

(b) Re system of reserve(s)

The Commission will ensure that no existing right at national level is lost during the change-over to the reserve system.

STATEMENT 137/99

(c) Re restructuring and conversion

In connection with Chapter III of Title II on restructuring and conversion, the Commission points out that the financial statement annexed to its proposal was based on an estimated average area of 54 000 hectares per year.

STATEMENT 138/99

(d) Re aid for the use of musts

In view of the fact that the exemption arrangements provided for in the second sentence of Article 45(2) of Regulation (EEC) No 822/87 are due to run out on 31 July 2000, the Commission will examine the use that has been made of them, on the basis of contributions from the Member States, and take any measures to ensure that the aid scheme for enrichment is applied even-handedly.

STATEMENT 139/99

(e) Re oenological practices

The Commission has no short-term intention to modify the status quo as regards the responsibility for establishing quantitative limits attributed to it in Annex IV (list of authorised oenological practices and processes).

STATEMENT 140/99

(f) Re labelling rules

When finalising the implementing rules on labelling, the Commission shall ensure that when the label on an imported wine such as "Grüner Veltliner" could mislead a consumer about its Community origin, the name of the country of origin should be of a size that is sufficient to emphasise the origin.

STATEMENT 141/99

3. List of points for consideration

The Council notes that the Commission intends, on the basis of contributions by the Member States, to examine the points on the following list:

- classification of certain wine-growing zones;
- special measures to cope with difficult climatic conditions:
 - = extension to C wine-growing zones of the possibility of using products which do not have the minimum alcoholic strength by volume laid down for such zones for the production of sparkling wines or aerated sparkling wines;
 - = possibility of increasing the natural alcoholic strength by volume by 2,5% vol. for C wine-growing zones;
- alignment of certain white wines on the limit for any increase in total alcoholic strength by volume following enrichment laid down for red wines;
- conditions for sweetening table wine that has been enriched;
- limit on any increase in the total alcoholic strength by volume of sparkling wines if the expedition liqueur is added.

STATEMENT 142/99

Member States undertake that from 1 January 1999 to 31 December 2000 they will make every effort to avoid widening the current span of 10 percentage points above the current lowest standard rate applied by Member States.

STATEMENT 143/99

Statement by the Commission in agreement with the Council and the European Parliament

"The Commission will, when presenting its annual report on the situation of the Guarantee Fund for external actions and its management, report orally to the Council and the European Parliament on the macroeconomic situation of third countries benefiting from loans granted or guaranteed by the Community and the risks to which the Guarantee Fund is exposed."

STATEMENT 144/99

Joint statement by the European Parliament and the Council

"The European Parliament and the Council, when adopting Regulation (EC) No ... concerning investigations conducted by the European Fraud Prevention Office (EFPO), take note of the undertaking given by the Commission to prepare by June 1999 at the latest a preliminary draft amendment of the Staff Regulations of officials and the conditions of employment of other servants of the European Communities aimed at clarifying the rights and obligations of those persons in connection with fraud prevention and their judicial protection, and to undertake forthwith, on the basis of that text, the necessary consultations prior to submitting a legislative proposal."

STATEMENT 145/99

Joint statement by the European Parliament and the Council on Article 7(3) of the Regulations (EC) and (Euratom) concerning investigations conducted by the European Fraud Prevention Office (EFPO)

"The words "*considered pertinent*" are to be interpreted as meaning that it is for the institutions, bodies, agencies or offices, or for the Member States, to assess in good faith whether the document or information in question might prove useful to enable the EFPO to perform its task and whether it must be forwarded to the latter."

MAY 1999	
OTHER ACTS	Votes made public
<p>Written procedure completed on 1 May 1999</p> <p>Council Decision laying down the detailed arrangements for the integration of the Schengen Secretariat into the General Secretariat of the Council 7581/99</p> <p><u>Explanation of voting by the French delegation released to the public</u></p> <p><i>The proposal for integration of the Schengen Secretariat, which was submitted to the Council on the basis of Article 7 of the Protocol integrating the Schengen acquis into the framework of the European Union, makes provision for the creation of 71 posts, including one head of division. Some of these posts do not meet any real need, since the Council General Secretariat has officially estimated the number of necessary posts at 58, with no head of division post being required. These are therefore posts which bear no relation to the needs associated with Schengen integration and which, furthermore, will be filled without proper aptitude tests. For these reasons, France is voting against the proposal.</i></p> <p>Written procedure completed on 3 May 1999</p> <ul style="list-style-type: none"> • Council Decision authorising the Secretary-General of the Council of the European Union in the context of the integration of the Schengen acquis into the framework of the European Union to act as representative of certain Member States for the purposes of concluding contracts relating to the installation and functioning of the "Help Desk Server" of the Management Unit and of the SIRENE Network Phase II and to manage such contracts 7460/99 SCHENGEN 28 • Council Decision on the establishment of a Financial Regulation governing the budgetary aspects of the management by the Secretary-General of the Council, of contracts concluded in his name, on behalf of certain Member States, relating to the installation and the functioning of the "Help Desk Server" of the Management Unit and of the Sirene Network Phase II 7655/99 SCHENGEN 34 + COR 1 <p>2175th Council meeting (Economic and Financial Questions) on 10 May 1999</p> <p>Council Regulation (Euratom, ECSC, EC) determining the powers and obligations of agents authorised by the Commission to carry out controls and inspections of the Communities' own resources 8394/98 + COR 1 + COR 2 (p) + ADD 1 + ADD 2</p> <p>Council Decision providing macro-financial assistance to Bosnia and Herzegovina 7495/99</p>	
	<p>Abstention: A Against: F</p>

MAY 1999	
OTHER ACTS	Votes made public
<p>Council Regulation providing for duty-free treatment of specified pharmaceutical active ingredients bearing an international non-proprietary name (INN) from the World Health Organisation and specified products used for the manufacture of finished pharmaceutical products 6861/99</p> <p>Council Regulation amending Council Regulation (EC) No 772/1999 imposing definitive anti-dumping and countervailing duties on imports of farmed Atlantic salmon originating in Norway 7703/99</p> <ul style="list-style-type: none"> • Council Decision concerning the practical arrangements for the participation of all Member States in tasks under Article 17(2) of the Treaty on European Union for which the Union avails itself of the WEU 7481/99 • Council Decision concerning the arrangements for enhanced cooperation between the European Union and the Western European Union 7480/99 <p>Council Decision adopted by the Council on the basis of Article 14 of the Treaty on European Union, on a European Union contribution to the collection and destruction of weapons in Albania 7834/99</p> <ul style="list-style-type: none"> • Common Position adopted by the Council on the basis of Article 15 of the Treaty on European Union concerning additional restrictive measures against the Federal Republic of Yugoslavia 7879/99 • Council Decision implementing the common position concerning additional restrictive measures against the Federal Republic of Yugoslavia 8067/99 <p>Council Decision on the conclusion of the agreement in the form of an Exchange of Letters concerning the provisional application of the Protocol defining for the period 18 January 1999 to 17 January 2002 the fishing opportunities and the financial contribution provided for by the Agreement between the European Economic Community and the Republic of Seychelles on fishing off Seychelles 6031/99</p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>2176th Council meeting (Energy) on 11 May 1999</p> <p>Council Decision concerning the conclusion of the Agreement between the European Community and Hong Kong, China, on cooperation and mutual administrative assistance in customs matters 7030/99 + COR 1 (s) + COR 2 (d)</p> <p>Council Regulation on implementation by the Commission of a programme of specific measures and actions to improve access of European Union goods and cross-border services to Japan 6481/99</p> <p>2177th Council meeting (General Affairs) on 17 May 1999</p> <p>Common Position adopted by the Council on the basis of Article 15 of the Treaty on European Union, concerning a Stability Pact for south-eastern Europe 8210/99</p> <p>Council Regulation on the application of specific measures for the import of grape juice and must originating in Cyprus 7662/99</p> <p>Council Decision repealing Common Position 98/614/CFSP concerning Nigeria 8173/99</p> <p>Common Position adopted by the Council on the basis of Article 15 of the Treaty on European Union, relating to progress towards a legally binding Protocol to strengthen compliance with the Biological and Toxin Weapons Convention (BTWC), and with a view to the successful completion of substantive work in the Ad Hoc Group by the end of 1999 8092/99</p> <p>Council Decision on certain arrangements for the application of the Agreement concluded by the Council and the Republic of Iceland and the Kingdom of Norway concerning the association of those States with the implementation, application and further development of the Schengen acquis 8020/99 + COR 1 (fin)</p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>Decision on the conclusion of the Agreement with the Republic of Iceland and the Kingdom of Norway concerning the latter's association with the implementation, application and development of the Schengen acquis 7417/99 + COR 1 (f,d,I,nl,en,dk,gr,p,fin,s) + COR 2 (en) + COR 3 (gr) + ADD 1 REV 1</p> <p>2179th Council meeting (Research) on 20 May 1999</p>	
<p>Decisions concerning the association of applicant countries (CCEE and Cyprus) with the Fifth Framework Programme for Research:</p> <p>(a) concluding the Additional Protocol to the EEC/Cyprus Association Agreement to associate Cyprus with the Fifth Framework Programme for RTD 7288/99 + COR 1</p> <p>(b) concerning the Community position within the Association Council on the association of Romania with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7229/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(c) concerning the Community position within the Association Council on the association of Bulgaria with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7228/99 + COR 1 (i,nl,es,p,fin,s)</p> <p>(d) concerning the Community position within the Association Council on the association of the Slovak Republic with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7230/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(e) concerning the Community position within the Association Council on the association of the Czech Republic with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7231/99 + COR 1 (i,nl,gr,es,p,fin)</p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>(f) concerning the Community position within the Association Council on the association of Hungary with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7232/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(g) concerning the Community position within the Association Council on the association of Latvia with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7233/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(h) concerning the Community position within the Association Council on the association of Slovenia with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) and with Community programmes for research and training activities under the 5th framework programme of the EAEC (1998-2002) 7234/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(i) concerning the Community position within the Association Council on the association of Estonia with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) 7235/99 + COR 1 (i,nl,en,dk,gr,es,p,fin,s)</p> <p>(j) concerning the Community position within the Association Council on the association of Lithuania with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) 7236/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>(k) concerning the Community position within the Association Council on the association of Poland with Community programmes for RTD under the 5th framework programme of the EC (1998-2002) 7237/99 + COR 1 (i,nl,gr,es,p,fin)</p> <p>Directive of the European Parliament and of the Council on speedometers for two or three-wheel motor vehicles and amending Council Directive 92/61/EEC relating to the type-approval of two or three-wheel motor vehicles</p> <p>– Adoption of a common position 6884/99 + COR 1 (f,d,i,nl,en,dk,gr,es,p,s)</p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>Council Decision concerning the Joint Supervisory Authority set up under Article 115 of the Convention applying the Schengen Agreement of 14 June 1985, on the gradual abolition of checks at common borders, signed on 19 June 1990 8060/99 + COR 1 (fin)</p> <p>Council Decision concerning the definition of the Schengen acquis for the purpose of determining, in conformity with the relevant provisions of the Treaty establishing the European Community and the Treaty on European Union, the legal basis for each of the provisions or decisions which constitute the acquis 8054/99 + COR 1 (fin)</p> <p>Council Decision determining, in conformity with the relevant provisions of the Treaty establishing the European Community and the Treaty on European Union, the legal basis for each of the provisions or decisions which constitute the Schengen acquis 8056/99 + COR (fin)</p> <p>2180th Council meeting (Development) on 21 May 1999</p> <p>Council Common Position with a view to the adoption of a Directive of the European Parliament and of the Council on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles and amending Directives 73/239/EEC and 88/357/EEC (fourth motor insurance directive) 14247/98</p> <p>Council Regulation imposing a ban on flights between the territories of the European Community and the Federal Republic of Yugoslavia, and repealing Regulation (EC) No 1901/98 8414/99</p> <p>2181st Council meeting (Economic and Financial Questions) on 25 May 1999</p> <ul style="list-style-type: none"> • Interinstitutional Agreement concerning internal investigations by the European Anti-Fraud Office (OLAF) 8051/99 + COR 1 + COR 2 (f) + COR 3 (fin) + REV 1 (nl) • Council Decision concerning the terms and conditions for internal investigations in relation to the prevention of fraud, corruption and any illegal activity detrimental to the Communities' interests 8345/1/99 REV 1 	

MAY 1999	
OTHER ACTS	Votes made public
2184th Council meeting (Justice and Home Affairs) on 27 May 1999	
Council Resolution on combating international crime with fuller cover of the routes used 7805/99	
Initiative of the Federal Republic of Germany with a view to the adoption of a Council Decision on the improved exchange of information to combat counterfeit travel documents 8457/99	
Common Position adopted by the Council on the basis of Article 34 of the Treaty on European Union, on negotiations relating to the Draft Convention on Cyber Crime held in the Council of Europe 8533/99 + COR 1 (dk) + REV 1 (d)	
Council and Commission Decision on the conclusion of the Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Armenia, of the other part 7630/99, 5871/96 + COR 1 (en,dk) + COR 2 (I) + COR 3 (nl) + COR 4 (p) + COR 5 (fin)	
Council and Commission Decision on the conclusion of the Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Azerbaijan, of the other part 7869/99, 5870/96 + COR 1 (fin) + COR 2 (d) + COR 3 (f,p)	
Council and Commission Decision on the conclusion of the Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and Georgia, of the other part 7868/99, 5872/96 + COR 1 (p) + COR 2 (fin)	
Council and Commission Decision on the conclusion of the Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Republic of Uzbekistan, of the other part 7870/99, 7652/96 + COR 1 (en) + COR 2 (nl) + COR 3 (i,p) + COR 4 (i) + COR 5 (s) + COR 6 (fin)	

MAY 1999	
OTHER ACTS	Votes made public
<p>Council Resolution on increasing protection by penal sanctions against counterfeiting in connection with the introduction of the euro 8331/99 + COR 1 (dk) + REV 1 (s)</p> <p>2186th Council meeting (General Affairs) on 31 May 1999</p> <p>Council Decision adopting the Council's Rules of Procedure 8137/99</p> <p><u>Statements made public</u></p> <p>(a) Re Article 2(1) and (2)</p> <p><i>"The President will endeavour to ensure that, in principle, the provisional agenda for each meeting of the Council dealing with implementation of Title IV of Part Three of the EC Treaty and Title VI of the Treaty on European Union and any documents relating to the items involved reach members of the Council at least twenty-one days before the beginning of the meeting."</i></p> <p>(b) Re Articles 1 and 2</p> <p><i>"Without prejudice to Article 22(2) of the Treaty on European Union, which specifies that an extraordinary Council meeting may be convened at very short notice in cases requiring a rapid decision, the Council is aware of the need for matters relating to the common foreign and security policy to be dealt with swiftly and efficiently. The arrangements in Article 2 shall not prevent this need from being met."</i></p> <p>(c) Re Article 4(2)</p> <p><i>"Policy debates on the six-monthly work programme submitted by the Presidency and, if appropriate, the Commission's work programme will be conducted by the General Affairs and the Economic and Financial Affairs Councils. It will be up to the Presidency to decide the timetable."</i></p> <p>(d) Re Article 8</p> <p><i>"Pending adoption by the European Parliament and the Council of the general Treaty principles and limits referred to in Article 255(2) of the EC Treaty, Council Decision 93/731/EC of 20 December 1993 remains in force."</i></p> <p>(e) Re Article 10</p> <p><i>"The Council agrees to consider the advisability of including in the Rules of Procedure the option of using a simplified written procedure when the Council is acting pursuant to Title VI of the Treaty on European Union."</i></p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>(f) Re Article 10(4)</p> <p><i>"The Council would point out that the COREU network must be used in accordance with the Council conclusions of 12 June 1995 concerning the Council's working methods."</i></p> <p>(g) Re Article 10(5)</p> <p><i>"In accordance with the Council's regular practice, the time limit fixed will normally be one week."</i></p> <p>(h) Re Article 14 and Annex I</p> <p><i>"The Council agrees that the provisions of Article 14 and Annex I apply to acts for the adoption of which some members of the Council are, under the Treaties, not entitled to vote. However, application of Article 7 of the Treaty on European Union is not covered by those provisions."</i></p> <p><i>In the first application of Articles 43 and 44 of the Treaty on European Union, the Council will, in the light of experience acquired in other fields, consider any adaptations necessary to Article 14 of and Annex I to these Rules of Procedure."</i></p> <p>(i) Re Article 17(4)</p> <p><i>"If a member of the Council considers that a draft procedural decision submitted to Coreper for adoption in accordance with Article 17(4) raises a question of substance, the draft decision will be submitted to the Council."</i></p> <p>(j) Re Article 18</p> <p><i>"Reports from Working Parties and any other documents used as a basis for Coreper's discussions should be sent to delegations in time to allow for their examination."</i></p> <p>(k) Re Article 19</p> <p><i>"The Council Legal Service has also been instructed to provide assistance to a Member State responsible for an initiative within the meaning of Article 67(1) of the EC Treaty or Article 34(2) of the Treaty on European Union for the purpose inter alia of checking the quality of drafting of such initiatives if that assistance is requested by the Member State concerned."</i></p> <p>(l) Re Annex I, 1(h)</p> <p><i>"The Council confirms that present practice whereby the texts serving as a basis for its deliberations are drawn up in all the languages will continue to apply."</i></p>	

MAY 1999	
OTHER ACTS	Votes made public
<p>(m) Re Annex II.A, 4(a)</p> <p><i>"The Council would point out that, in the cases provided for in the Treaties where an act is not applicable to or in all Member States, it is necessary to make clear its territorial application in the reasons given for and content of the act concerned."</i></p> <p>Council Decision implementing Common Position 98/633/CFSP defined by the Council on the basis of Article J.2 of the Treaty on European Union concerning the process on stability and good-neighbourliness in South-east Europe 8591/99</p>	
