



**COUNCIL OF  
THE EUROPEAN UNION**



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**PRESS RELEASE**

3168th Council meeting

**General Affairs**

Brussels, 29 May 2012

President

**Mr Nicolai WAMMEN**  
Minister for European Affairs of Denmark

**P R E S S**

## **Main results of the Council**

*The Council discussed the EU's **multiannual financial framework** for 2014-2020, on the basis of a negotiating box covering all elements of both expenditure and revenue.*

*The aim is to adopt the MFF regulation before the end of the year.*

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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## **PARTICIPANTS**

### **Belgium:**

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Deputy Prime Minister and Minister for Foreign, External Trade and European Affairs

### **Bulgaria:**

Mr Ivan NAYDENOV

Deputy Minister of Foreign Affairs

### **Czech Republic:**

Mr Karel SCHWARZENBERG

First Deputy Prime Minister and Minister for Foreign Affairs

### **Denmark:**

Mr Nicolai WAMMEN

Mr Michael ZILMER-JOHNS

Minister for European Affairs  
State Secretary for Foreign Policy

### **Germany:**

Mr Michael LINK

State Minister of the German Ministry of Foreign Affairs

### **Estonia:**

Mr Urmas PAET

Minister for Foreign Affairs

### **Ireland:**

Ms Lucinda CREIGHTON

Minister of State for European Affairs (Departments of the Taoiseach and Foreign Affairs)

### **Greece:**

Mr Yannis Alexis ZEPOS

Secretary General, Ministry of Foreign Affairs

### **Spain:**

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State Secretary for the European Union

### **France:**

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Minister for European Affairs

### **Italy:**

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State Secretary, Ministry of Foreign Affairs

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Minister for European Affairs and International Cooperation

### **Austria:**

Mr Wolfgang WALDNER

State Secretary, Federal Ministry of European and International Affairs

### **Poland:**

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Minister for European Affairs

### **Portugal:**

Mr Miguel MORAIS LEITÃO

State Secretary attached to the Minister for Foreign Affairs, with responsibility for European Affairs

### **Romania:**

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Minister for European Affairs

**Slovenia:**

Mr Igor SENČAR

State Secretary at the Ministry of Foreign Affairs

**Slovakia:**

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Minister of Foreign Affairs

**Finland:**

Mr Jan STORE

Permanent Representative

**Sweden:**

Ms Birgitta OHLSSON

Minister for EU Affairs

**United Kingdom:**

Mr David LIDINGTON

Minister of State for Foreign and Commonwealth Affairs

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**Commission:**

Mr Maroš ŠEFČOVIČ

Vice President

Mr Janusz LEWANDOWSKI

Member

.....

**The Government of the Acceding State was represented as follows:**

**Croatia:**

Mr Neven MIMICA

Deputy Prime Minister for Home, Foreign and European  
Affairs

## ITEMS DEBATED

### MULTIANNUAL FINANCIAL FRAMEWORK

#### – *public session*

The Council discussed the EU's multiannual financial framework (MFF) for the 2014-2020 period on the basis of a negotiating box<sup>1</sup> which, for the first time, covers all elements of the MFF on both the expenditure and the revenue side ([10063/12 REV 1](#) + [10317/12](#)).

Ministers welcomed the work undertaken by the Danish presidency to date and considered the latest version of the negotiating box as a good basis for further discussion.

Many ministers insisted on the need for the MFF 2014-2020 to promote job creations, growth and investments. They also agreed on the need to improve the quality of expenditure. Some delegations considered that better spending does not necessarily entail less spending, while others stressed that improving the quality of expenditure does not preclude EU budgetary consolidation in times of crisis.

As regards expenditure, ministers focused on cohesion policy, the Common Agricultural Policy (CAP) and macroeconomic conditionality.

As regards cohesion policy, some delegations opposed the proposed level of capping, limiting the level of transfer to each member state to a certain percentage of its gross domestic product. Several delegations also objected to the so-called reversed safety net, limiting the scope of support to a certain percentage compared to its level during the 2007-2013 period. Some member states expressed concerns about the new category of transition regions, whereas others supported it.

In respect of the CAP, some delegations considered the proposed convergence of direct aids per hectare in terms of scope and timeframe as insufficiently ambitious. Others, however, found it too drastic. Some ministers opposed possible cuts to overall spending under heading 2 (sustainable growth: natural resources). Others supported this idea, some considering it as a means to improving the convergence of direct aids.

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<sup>1</sup> The negotiating box is a paper drafted by the presidency outlining the main elements and options for the MFF negotiations. It is constantly updated as negotiations move forward and is ultimately intended as the basis for an agreement of the European Council. Once an agreement is reached, its content will feed into legislative work on the different legal acts.

Some ministers welcomed the so-called macro-economic conditionality aimed at ensuring that the effectiveness of expenditure of the five funds under the common strategic framework<sup>1</sup> is underpinned by sound economic policies, or considered the wording in the negotiating box on the subject to be a good basis. Others had reservations on this.

As regards revenue, which was included in the negotiating box for the first time, ministers stressed the importance of the rules being simple, transparent and fair.

Some delegations supported the abolition of the current VAT-based own resource, as proposed by the Commission. Some were ready to examine this proposal, while others opposed it.

The proposed new own resource based on a financial transaction tax was supported by some member states and opposed by others.

Many ministers were in favour of abandoning completely all corrections to the system of own resources, but considered the proposed lump sums as a step in the right direction. Others insisted on maintaining the existing correction mechanisms, or at least keeping a guarantee of the current amount of correction under a new mechanism.

For the time being, the negotiating box only contains a small number of figures in square brackets. Later in the negotiation process, figures for the ceilings of the individual headings of the MFF will be added. The Commission is also expected to submit an updated proposal on the MFF which, amongst other things, will integrate its spring economic forecast into the proposals.

Ministers will continue their work on the MFF at an informal meeting in Horsens (Denmark) on 10 and 11 June and at a General Affairs Council meeting in Luxembourg on 26 June.

The European Council will hold a first substantial discussion on the MFF 2014-2020 on 28 and 29 June (see page 8). It will also discuss the issue of how the new MFF can best contribute to the creation of growth. It is expected to approve procedural conclusions to guide the negotiation process in line with the agreed timetable.

The aim is to reach an agreement and adopt the MFF regulation before the end of this year.

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<sup>1</sup> The European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).



## **PREPARATION OF THE EUROPEAN COUNCIL**

The Council took note of an annotated draft agenda for the European Council meeting to be held on 28 and 29 June ([9370/12](#)).

The European Council is due to focus on:

- *Economic policy*: conclusion of the 2012 European Semester (annual monitoring of budgetary policies and structural reforms), EU agenda for growth (discussed at 23 May informal European Council meeting), trade and investment partnerships with international partners;
- *Multiannual financial framework*: first substantial discussion on the 2014-2020 MFF (see pp. 6-7);
- *Other issues*: progress on dossiers relating to justice and home affairs, including Schengen governance and asylum.

The Council will hold a further discussion, on the basis draft European Council conclusions, at its meeting on 26 June.

## **G-20 SUMMIT IN MEXICO**

The Council took note of preparations for the G-20 summit to be held in Los Cabos (Mexico) on 18-19 June ([10155/12](#)). It discussed the EU's key priorities

The summit is expected to focus on:

- economic stabilization and structural reforms;
- the financial system and financial inclusion;
- international financial architecture;
- food security and commodity price volatility;
- sustainable development, green growth and the fight against climate change.

The European Council in March agreed priorities to be pursued with a view to the summit. Moreover, the presidents of the European Council and the Commission have sent a joint letter to EU heads of state and government setting out their expectations<sup>1</sup>.

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<sup>1</sup> [http://www.consilium.europa.eu/uedocs/cms\\_Data/docs/pressdata/en/ec/130458.pdf](http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/130458.pdf)

## **ENLARGEMENT - CROATIA**

The Council held a brief exchange of views on Croatia's preparations for accession to the EU, on the basis of a report from the Commission ([9170/12](#)).

It highlighted the importance it attaches to the close monitoring of Croatia's preparations, and the presidency agreed to convey this message to the EU-Croatia Stabilisation and Association Council meeting scheduled for 6 June.

The Council adopted the following conclusions.

"The Council welcomes the Commission's monitoring report of 24 April 2012 on Croatia's accession preparations and the accompanying monitoring tables, and takes note of the findings and recommendations therein.

The Council has assessed thoroughly the monitoring report and tables and notes with satisfaction that, overall, Croatia's preparations for EU membership are on track and that Croatia has reached a considerable degree of alignment with the *acquis*. In this perspective, the Council calls on Croatia to use the time remaining until accession to step up its efforts in building on the reforms it has implemented and the track records it has developed in the accession negotiations, notably in the fields of judiciary and fundamental rights, justice, freedom and security, and competition policy, as well as the other areas of the *acquis* identified by the Commission as requiring further efforts. In this context, the Council endorses the specific recommendations in the Commission's report on the above-mentioned areas and looks forward to receiving from Croatia an update on progress at the EU-Croatia Stabilisation and Association Council in June.

In line with Article 36 of the Accession Treaty and with relevant European Council and Council conclusions, the Council reiterates the importance it attaches to the close monitoring of Croatia's fulfilment of all the commitments undertaken in the accession negotiations, including those which must be fulfilled before accession, and to Croatia's continued preparations to fully assume its membership obligations upon accession.

The Council notes the state of the ongoing process of ratification of the Accession Treaty and looks forward to welcoming Croatia as a member of the Union as of 1 July 2013 subject to completion of the remaining ratification processes by Member States. In this context, the Council invites the Commission to continue monitoring Croatia's preparations for accession and looks forward to the comprehensive monitoring report and updated monitoring tables to be presented by the Commission this autumn."

**OTHER BUSINESS**

– *Earthquake in Italy*

The Council expressed its condolences to the victims of an earthquake that took place near Modena (Italy) on 29 May.

**OTHER ITEMS APPROVED****ECONOMIC AND FINANCIAL AFFAIRS****Court of Auditors report - ERDF support to SMEs**

The Council adopted conclusions on Court of Auditors special report no. 2/2012 concerning financial instruments for SMEs co-financed by the European Regional Development Fund.

The conclusions can be found in document [10058/12](#).

**FOREIGN AFFAIRS****Relations with Russia**

The Council took note of progress in preparations for the EU-Russia summit, to be held in St Petersburg on 3-4 June.

**Code of conduct for activities in outer space**

The Council approved the allocation of a budget of EUR 1.49 million for outreach activities, multilateral expert meetings and scientific advice to promote the EU's proposal for an international and voluntary code of conduct for activities in outer space.

**NUCLEAR SAFETY****Convention on nuclear safety**

The Council took note of a report prepared for the second extraordinary meeting of the IAEA's Convention on Nuclear Safety, to be held in Vienna on 27-31 August ([9802/12 ADD 1](#)).

The Convention on Nuclear Safety was adopted in 1994. Its aim is to legally commit participating states operating land-based nuclear power plants to maintaining a high level of safety, by setting international benchmarks to which they would subscribe.

## **ENVIRONMENT**

### **Greenhouse gas emissions**

The Council decided not to oppose adoption by the Commission of the following legislative acts pursuant to directive 2003/87/EC<sup>1</sup>:

- regulation laying down detailed rules regarding the verification of greenhouse gas emission reports and tonne-kilometre reports and the accreditation of verifiers ([7170/1/12 REV 1](#)).
- regulation laying down detailed rules regarding the monitoring and reporting of greenhouse gas emissions ([7171/1/12 REV 1](#)).

The Commission acts are subject to the regulatory procedure with scrutiny; now that the Council has given its consent, the Commission may adopt them, unless the European Parliament objects.

## **TRANSPARENCY**

### **Transparency - public access to documents**

The Council approved:

- the reply to a confirmatory application made by Ms Helen Darbishire (No 11/c/01/12), the Danish, Estonian, Slovenian, Finnish and Swedish delegations voting against (doc. [8774/12](#)).

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<sup>1</sup> OJ L 275, 25.10.2003

**DECISION TAKEN BY WRITTEN PROCEDURE****Public access to documents**

On 21 May 2012, the Council adopted replies to confirmatory applications:

- 09/c/01/12 with the Danish, Estonian, Finnish and Swedish delegations voting against (doc [8673/12](#)) and
  - 10/c/01/12 with the Danish, Estonian, Finnish and Swedish delegations voting against (doc [8677/12](#)).
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