



Council of the
European Union

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ADD 1

PV/CONS 47
ECOFIN 892

DRAFT MINUTES

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

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¹ Deliberations on Union legislative acts (Article 16(8) of the Treaty on European Union), other deliberations open to the public and public debates (Article 8 of the Council's Rules of Procedure).

LEGISLATIVE DELIBERATIONS

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

"A" ITEMS

- 1. Draft amending budget No 3 to the general budget for 2016: Security of the Institutions**
12563/16 FIN 595 PE-L 52
approved by Coreper, Part 2, on 28.09.2016

The Council adopted its position on the draft amending budget No 3/2016 as set out in 12563/16, by a qualified majority with the AT, SE and UK delegations abstaining, and took note of the following statement.

Statement by Austria

"AT fully supports the Commission's approach to enhance security in the EU institutions and in European Schools. The therefore foreseen sum of 15,8 Mio. EUR in the draft amending budget 3/2016 should however be generated by redeployment from non-implemented sectors. That's why AT abstains from the vote on this item."

"B" ITEMS

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

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

- 4. Any other business**
 - **Current financial service legislative proposals**
 - = Information from the Presidency
12655/16 EF 288 ECOFIN 844

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