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European Union

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**DRAFT MINUTES**  
COUNCIL OF THE EUROPEAN UNION  
(General Affairs)  
26 June 2018

## CONTENTS

**Page**

1.	Adoption of the agenda .....	3
2.	Approval of "A" items .....	3
	a) Non-legislative list	
	b) Legislative list	

### Non-legislative activities

3.	Enlargement and Stabilisation and Association Process .....	5
	Conclusions	
4.	Preparation of the European Council on 28 June 2018: .....	5
	Conclusions	
5.	European Council follow-up .....	5
6.	European Semester: integrated country-specific recommendations.....	5
7.	IIA implementation .....	5
8.	Rule of Law in Poland / Article 7(1) TEU Reasoned Proposal.....	5
9.	Any other business .....	5
	ANNEX - Statements for the Council minutes .....	6

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## 1. **Adoption of the agenda**

The Council adopted the agenda set out in 10349/18.

## 2. **Approval of "A" items**

### a) **Non-legislative list**

10350/18

The Council adopted the "A" items listed in 10350/18 including COR and REV documents presented for adoption. Statements related to these items are set out in the Addendum.

For the following item the documents should read as follows:

### General Affairs

#### 4. Amendments to the Rules of Procedure of the General Court

*Approval*

approved by Coreper, Part 2, on 20.06.2018

9916/18

9851/18

+ **REV 1 (fi)**

JUR

### b) **Legislative list (Public deliberation in accordance with Article 16(8) of the Treaty on European Union)**

10352/18

### Economic and Financial Affairs

#### 1. **Macro-financial assistance to Ukraine Decision**

*Adoption of the legislative act*

approved by Coreper, Part 2, on 20.06.2018



10071/2/18 REV 2

+ REV 1 ADD 1

REV 1

PE-CONS 27/18

ECOFIN

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, with Hungary voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 212(2) TFEU).

A statement related to this item is set out in the Annex.

## Justice and Home Affairs

### 2. **Insolvency Regulation - Amendment Annexes - BE/BG/HR/LV/PT**

*Adoption of the legislative act*

approved by Coreper, Part 2, on 20.06.2018



10070/18 + ADD 1  
PE-CONS 25/18  
JUSTCIV

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, with Slovenia voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 81 TFEU).

A statement related to this item is set out in the Annex.

## Transport

### 3. **EASA Basic Regulation**

*Adoption of the legislative act*

approved by Coreper, Part 1, on 20.06.2018



10063/18  
+ ADD 1 REV 1  
PE-CONS 2/18  
AVIATION

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, with Slovakia, Poland and Czech republic abstaining and Malta and Cyprus voting against, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 100(2) TFEU).

Statements related to this item are set out in the Annex.

## General Affairs

### 4. **European Citizens' Initiative**

*General approach*

approved by Coreper, Part 2, on 07.06.2018



9783/18

The Council reached a general approach on the basis of the text set out in the Annex 9783/18.

### 5. **MFJ (2021-2027) - Work within the Council in the first semester 2018**

*Endorsement*

approved by Coreper, Part 2, on 20.06.2018



10171/18

The Council took note of the report on the progress of work within the Council in the first semester 2018 on MFJ (2021-2027).

### Non-legislative activities

The Council addressed the following non-legislative discussion items (3-9)

- |    |   |                      |
|----|---|----------------------|
| 3. | Enlargement and Stabilisation and Association Process<br><i>Exchange of views</i><br>Conclusions<br><i>Adoption</i>                 | 10374/18             |
| 4. | Preparation of the European Council on 28 June 2018:<br>Conclusions<br><i>Exchange of views</i>                                     | 8148/18              |
| 5. | European Council follow-up<br><i>State of play</i>  |                      |
| 6. | European Semester: integrated country-specific<br>recommendations<br><i>Approval</i><br><i>Transmission to the European Council</i> | 10375/18             |
| 7. | IIA implementation<br><i>State of play</i>  | 9895/18              |
| 8. | Rule of Law in Poland / Article 7(1) TEU Reasoned Proposal<br><i>Hearing of Poland in accordance with Article 7(1) TEU</i>          | 10354/18<br>10351/18 |
| 9. | Any other business  |                      |

- 
- First reading  
 Item based on a Commission proposal

STATEMENTS FOR THE COUNCIL MINUTES

Statements to the legislative "A" items set out in 10352/18

**Ad "A" item 1:**        **Macro-financial assistance to Ukraine Decision**  
*Adoption of the legislative act*

**JOINT STATEMENT BY THE EUROPEAN PARLIAMENT, THE COUNCIL, AND THE COMMISSION**

"The Parliament, the Council and the Commission recall that a pre-condition for granting macro-financial assistance is that the beneficiary country respects effective democratic mechanisms – including a multi-party parliamentary system – and the rule of law, and guarantees respect for human rights.

The Commission and the European External Action Service shall monitor the fulfilment of this pre-condition throughout the life-cycle of the Union's macro-financial assistance.

In light of the unfulfilled conditions on the fight against corruption and the related cancellation of the third instalment of the previous programme of macro-financial assistance under Decision (EU) 2015/601, the European Parliament, the Council and the Commission underline that further macro-financial assistance will be conditional on progress in the fight against corruption in Ukraine. To that effect, the economic policy and financial conditions of the Memorandum of Understanding to be agreed between the European Union and Ukraine shall include inter alia obligations to strengthen the governance, the administrative capacities and the institutional set-up in particular for the fight against corruption in Ukraine, notably regarding a verification system for asset declarations, the verification of companies' beneficial ownership data and a well-functioning specialised anti-corruption court in line with the recommendations of the Venice Commission. Conditions on combating money laundering and tax avoidance shall also be considered. In line with Article 4(4), where the conditions are not met, the Commission shall temporarily suspend or cancel the disbursement of the macro-financial assistance.

Further to regularly informing the European Parliament and the Council of developments relating to the assistance and providing them with relevant documents, the Commission shall, upon each disbursement, report publicly on the fulfilment of all economic policy and financial conditions linked to this disbursement, in particular those concerning the fight against corruption.

The European Parliament, the Council and the Commission recall that this macro-financial assistance to Ukraine shall contribute to values shared with the European Union, including sustainable and socially responsible development leading to employment creation and poverty reduction, and a commitment to a strong civil society. The Commission shall accompany the draft Commission Implementing Decision approving the Memorandum of Understanding with an analysis of the expected social impact of the macro-financial assistance. In accordance with Regulation (EU) No 182/2011 this analysis will be submitted to the Member State Committee and shall be made available to the Parliament and the Council through the register of committee proceedings."

**Ad "A" item 2:**        **Insolvency Regulation - Amendment Annexes - BE/BG/HR/LV/PT**  
*Adoption of the legislative act*

**STATEMENT BY SLOVENIA**

"The Republic of Slovenia opposes to the inclusion of the Law for the Extraordinary Administration of Companies with Systemic Importance for the Republic of Croatia (hereinafter referred to as EA Law) to Annexes A and B to the Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings.

On the 14 March 2018 the Supreme Court of the Republic of Slovenia declared that EA Law violates public order.

When it comes to notification of EA Law the question arises as to whether it is possible to include in the Regulation a law which violates the fundamental principles of the civil law, insolvency law and EU law in general. EA Law is an expression of state interventionism or economic protectionism, as it is intended to rescue a company which has exceptional importance for the Croatian economy because of its size. Therefore it could be disputed from the aspect of sincere cooperation between the Member States as well as from the aspects of the internal market rules. EA Law violates the fundamental principle of equal treatment of creditors and strives for concentration, not the coordination of proceedings in cases of insolvency. We also have to highlight the dominant role of the state in the appointment of an extraordinary commissioner and the non-existence of effective legal remedy for creditors against a decision to launch insolvency proceedings.

The Republic of Slovenia has presented all the arguments in the document WK 4276/2018.

Moreover, the Republic of Slovenia calls on the Commission that future proposals for notification should be verified more thoroughly; especially any possible negative consequences for the functioning of the internal market should be assessed."

**Ad "A" item 3:**        **EASA Basic Regulation**  
*Adoption of the legislative act*

**COMMISSION DECLARATION REGARDING AIR TRAFFIC MANAGEMENT AND AIR NAVIGATION SERVICES (ATM/ANS)**

"In the view of the Commission, services consisting of the emission of signals by satellites of core constellations of global navigation satellite systems (GNSS), such as the system established under the Galileo programme and other similar systems, are as such not to be considered as air traffic management and air navigation services (ATM/ANS) as defined in Article 3, read in conjunction with the corresponding recital, of new Regulation of the European Parliament and of the Council on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency and repealing Regulation (EC) No 216/2008 of the European Parliament and of the Council. This view is based, in particular, on the fact that those signals are not primarily or exclusively emitted for the purpose of air navigation, but are used for that purpose only through services that augment those signals, which are expressly covered by the definition of ATM/ANS."

## **STATEMENT BY CYPRUS AND MALTA**

"The above-mentioned Member States have grave concerns on the implications of the regulation and are unable to support the adoption of the Regulation on common rules in the field of aviation and establishing the European Aviation Safety Agency.

Despite the improvements made during the EP negotiations we consider that the text was not ready to be adopted. We are particularly concerned with the imbalance in delegated and implementing acts, the non-proportionate and inflexible threshold adopted for Drones, the great potential for disruption of the competences and responsibilities of the national authorities emanating from the Chicago Convention and finally market distortion through competition from the Agency."

## **STATEMENT BY THE CZECH REPUBLIC**

"The Czech Republic had two main concerns relating to the text agreed between the Council and the European Parliament in December 2017. First, we did not agree with the extent of use of delegated acts and in particular with the use of delegated acts for provisions on drones, because we wanted to maintain control of Member States over the content of the regulation. Second, we were not happy with the use of kinetic energy as a limit for drone registration because such limit would be hard to measure. Even though, some of our concerns have been in meantime eliminated, in particular during the discussions in the Expert Group on drones, the Czech Republic still considers the use of delegated act throughout the text as excessive. In this respect we also call the Commission to further continue in deeper involvement of national experts during the preparation of the secondary legislation."

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