

Brussels, 16 January 2020 (OR. en)

5100/20 CRS CRP 3

SUMMARY RECORD

PERMANENT REPRESENTATIVES COMMITTEE 18 and 20 December 2019

I. Adoption of the agenda

15120/19 OJ CRP1 44 15168/2/19 REV 2 OJ CRP2 44

The Committee adopted the agenda.

II. Approval of the "I" items

The Committee approved the "I" items as set out in the Annex.

III. <u>Discussion items</u>

COREPER (PART 1)

WEDNESDAY 18 DECEMBER 2019

Environment

2. Directive on drinking water *Preparation for the trilogue*

15043/19 + COR 1

The Committee agreed on a revised mandate for the forthcoming trilogue.

3. Regulation on water reuse

14944/19 + COR 1

Analysis of the final compromise text with a view to agreement

The Committee endorsed the text of the final compromise and, subject to revision by the legal linguists, the Council will adopt its position at first reading.

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Statement by the Commission

"The Commission acknowledges that microplastics are substances of emerging concern in relation to water quality. In the light hereof, and considering that this is a general issue not limited to reclaimed water only, the Commission undertakes to pursue its efforts to further address this important issue."

Statement by Greece

- "1. Greece supports the final compromise text of the Water Reuse Regulation, as per document ST 14944/2019 + COR1. The establishment of integrated, stable and commonly accepted regulatory framework at EU level will contribute significantly to dealing with drought and water scarcity which are likely to be more severe in the future, due to the climate change.
- 2. Greece insists that the dilution of reclaimed water, by itself must not be considered as a water treatment option, i.e. food business operators or farmers should not be allowed to dilute reclaimed water of any quality class and subsequently use it as being of a higher (cleaner) quality class.
- 3. Greece is among the MS that have already in force such a regulatory framework which includes even stricter provisions. It goes without saying that health protection is fundamental to us and therefore we reserve our right to adopt additional provisions and implement further measures at a national level, in line with the precautionary principle."

Culture/Audiovisual Matters

4. Regulation on Creative Europe 2021-2027

Presidency debriefing on the outcome of the trilogue

The Committee took note of the information provided by the Presidency on the outcome of the trilogue of 12 December 2019.

Youth

5. Regulation on the European Solidarity Corps (ESC) 2021-2027 Presidency debriefing on the outcome of the trilogue

The Committee took note of the information provided by the Presidency on the outcome of the trilogue of 11 December 2019.

Fisheries

6. Regulation on the European Maritime and Fisheries Fund *Presidency debriefing on the outcome of the trilogue*

The Committee took note of the information provided by the Presidency on the outcome of the trilogue of 10 December 2019.

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Transport

7. Regulation on electronic freight transport information (eFTI) *Analysis of the final compromise text with a view to agreement*

14793/1/19 REV 1 + REV 1 COR 1 + 14793/19 ADD 1

The Committee endorsed the text of the final compromise and, subject to revision by the legal linguists, the Council will adopt its position at first reading.

- 8. Mobility package I
 - a) Regulation on access to the profession and access to the haulage market
 - b) Regulations on rest time periods and on tachographs
 - c) Directive on enforcing social rules and on lex specialis for posting of drivers

Presidency debriefing on the outcome of the trilogue

The Committee took note of the information provided by the Presidency on the outcome of the trilogue of 11 December 2019.

Statement by Estonia

"Mobility Package I – social and market pillar

Estonia fully supports the objectives of the original proposals of the social and market pillar of Mobility Package I¹, which were intended to pave the way towards clear road transport rules. Estonia believes that the international road haulage market in the European Union must be in line with the general principles of the Single Market, open to competition, efficient and environmentally friendly. Estonia believes that additional requirements must not impose an unreasonable administrative burden on businesses or public sector authorities or conflict with the objectives of the European Union's climate policy.

 $\underline{https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017PC0281}$

 $\underline{https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017PC0277}$

Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive 2006/22/EC as regards enforcement requirements and laying down specific rules with respect to Directive 96/71/EC and Directive 2014/67/EU for posting drivers in the road transport sector; COM(2017)278;

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017PC0278

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¹ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EC) No 1071/2009 and Regulation (EC) No 1072/2009 with a view to adapting them to developments in the sector; COM(2017)281;

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EC) No 561/2006 as regards on minimum requirements on maximum daily and weekly driving times, minimum breaks and daily and weekly rest periods and Regulation (EU) 165/2014 as regards positioning by means of tachographs; COM(2017)277;

During the negotiations of the Package, Estonia adopted a constructive approach by striving to take into account and support proposals that would improve the working conditions for drivers, combat illegal market practices and reduce the negative effects for the environment. However, the negotiations resulted in an agreement that puts Estonian carriers in a competitive disadvantage, notably by imposing an obligation for road transport undertakings to organise their fleet's activity in such a way as to ensure its vehicles to return to the Member State of establishment within 8 weeks after leaving it ("return of the vehicle obligation").

This obligation was not part of the original package. It has not been subject to a substantive impact assessment, which raises concerns about its relationship with the Interinstitutional Agreement of 13 April 2016 on Better Law-Making¹.

Secondly, having the vehicles returning to the Member State of establishment limits the geographical area of operations for road transport undertakings of that Member State and as such, it is not in line with the aim of Mobility Package I to ensure a level playing field.

Thirdly, as this obligation increases the number of empty runs and additional CO₂ emissions, Estonia is of the position that this requirement contradicts the EU's climate policy objectives and the Paris Agreement goals. It is not line with the Conclusions of 12 December 2019 of the European Council².

Moreover, Estonia considers this requirement disproportionate as the agreement already contains measures to fight against the phenomenon of so-called "letterbox companies". The return of the vehicle obligation will potentially incentivize such practices and, in addition, encourages road transport undertakings from peripheral Member States to relocate, causing a decrease in jobs and tax revenues.

Finally, as the measure can potentially increase traffic volumes, Estonia is concerned about its impact on road safety.

Consequently, and yet again stressing its support to the objectives of the original proposals of the social and market pillar of Mobility Package I, Estonia regrets the inclusion of the return of the vehicle obligation in the agreement. In the context outlined above, Estonia will vote against said agreement."

https://data.consilium.europa.eu/doc/document/ST-29-2019-INIT/en/pdf

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¹ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making; https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016Q0512%2801%29

² Section 1, paragraph 5: All relevant EU legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate neutrality objective while respecting a level playing field. /.../

Statement by Bulgaria, Cyprus, Hungary, Latvia, Lithuania, Malta, Poland and Romania

"Bulgaria, Cyprus, Hungary, Latvia, Lithuania, Malta, Poland and Romania express deep concerns that the provisional agreement on Mobility Package I contradicts the basic freedom to provide services on the Single Market, the principle of free movement of workers, as well as the key EU policies and goals on climate.

In particular, the requirement to return heavy vehicles to the Member State of establishment at least once every 8 weeks contradicts the EU ambitious climate goals, set out by the European Commission in the new Green Deal on December 11, 2019. Such an obligation, if adopted, will result in a major increase in the number of empty runs of trucks on the European roads and, subsequently, in a substantial increase of CO2 emissions from the transport sector. This sector already accounts for approximately a quarter of GHG emissions in the EU.

Despite our efforts to highlight these points and regardless of scientific evidence from studies on the impact of such an obligation on the increase of empty runs and CO2 emissions, there is no sensitivity for the expected impact of this provision and rational arguments are being dismissed. At the same time, even though the better regulation agenda requires impact assessment at EU level for all such measures, no such assessment has been presented yet.

Returning vehicles to the Member State of establishment is just one example of excessively restrictive and discriminatory measures proposed in Mobility Package I. We share similar concerns about the limitations on cabotage in the form of an excessive cooling off period. This cooling off period amounts to a protectionist measure, which will have a rather negative effect on the Single Market. The obligation for a truck to return as well as the restrictions imposed on cabotage operations, according to estimates of renowned research institutes, will generate additional millions of tons of CO2 emissions per year.

Another major point of concern is that the mandatory return of the vehicle will put in a disadvantaged position Member States which due to their geographical location will have substantial difficulties in providing truck transport services on the Single Market, as their vehicles will have to cover far greater distances and to overcome significant natural barriers, especially in the case of islands.

Unfair competition from third countries' operators is also a factor that has not been properly addressed. This is especially worrisome since the solution to be enacted will have long-term effects not only on the transport sector, but also on the EU economy as a whole.

The transport sector deserves a fair and robust EU legal framework, which will further stimulate its development, while ensuring realistic and enforceable rules. Instead of balanced provisions and a genuine compromise, the provisional agreement imposes restrictive, disproportionate and protectionist measures.

Mobility Package I is a crucial dossier for the European Single Market, as well as for the road transport sector. Today, more than ever, we need to preserve the smooth functioning of the Single Market and the economies of all Member States in the EU while being consistent with other EU policies."

Statement by Belgium

"Belgium has taken note of the results of the provisional agreement reached on December the 11th between the European Parliament and the Council on the social and market pillar of Mobility Package I.

Belgium welcomes the substantial improvement in the working conditions of truck drivers, in particular by prohibiting weekly rest in the cabin, and by applying posting to cabotage operations. A better level playing field should be reached in the future, through the integration of light commercial vehicles within the scope of the entire Mobility package, the return of trucks every 8 weeks to the base, and the ambitious timetable for the deployment of new smart tachographs that will allow a better enforcement of the existing and new rules.

Therefore, Belgium considers it is incoherent to further restrict access to the market by imposing a cooling-off period of 4 days on cabotage, while at the same time the European Union will ensure upward social convergence.

To our understanding, the cooling-off period is a trade barrier contrary to the spirit of the internal market, and to the efficiency of the logistics chain, since cabotage operations makes it possible to avoid empty journeys.

We regret as well, the inclusion of a proposal on long-term posting, which did not appear in the Commission proposal neither in the agreements of the two co-legislators, and hasn't been carefully assessed yet.

Despite the positive social elements contained in the Packcage, Belgium will therefore abstain on the agreement."

Statement by the Commission

"The Commission takes note of the provisional agreement on the social and market aspects of Mobility Package I reached by the Council and European Parliament during the 4th trilogue which took place on 11-12 December 2019.

The Commission regrets that the political agreement reached by the Council and European Parliament includes elements that are not in line with the ambitions of the European Green Deal and the EUCO endorsement of the objective of achieving a climate-neutral EU by 2050. These are the compulsory return of the vehicle to the Member State of establishment every 8 weeks and the restrictions imposed on combined transport operations. These measures were not part of the Commission's proposals adopted on 31 May 2017 and have not been the subject of an impact assessment. The obligation of return of the truck will lead to inefficiencies in the transport system and an increase in unnecessary emissions, pollution and congestion, while the restrictions on combined transport diminish its effectiveness to support multimodal freight operations.

The social improvements in this proposal are significant. The Commission will now closely assess the climate, environmental, and single market functioning impact of these two aspects. The Commission will do so in view of the Green Deal and measures to decarbonise transport and protect the environment, whilst ensuring a well-functioning Single Market.

After impact assessment, the Commission, if necessary, will exercise its right to come forward with a targeted legislative proposal before the two provisions enter into force."

FRIDAY 20 DECEMBER 2019

Environment

2. (<u>continuation</u>) Directive on drinking water *Presidency debriefing on the outcome of the trilogue*

The Committee took note of the information provided by the Presidency on the outcome of the trilogue of 18 December 2019.

Transport

8. (continuation) Mobility package I

a)	Regulation on access to the profession and access to the	15085/19 + COR 1
	haulage market	+ COR 2
b)	Regulations on rest time periods and on tachographs	15083/19 + COR 1
c)	Directive on enforcing social rules and on lex specialis for	15084/19 + COR 1
	posting of drivers	

Analysis of the final compromise text with a view to agreement

The Committee endorsed the text of the final compromise and, subject to revision by the legal linguists, the Council will adopt its position at first reading.

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COREPER (PART 2)

General Affairs

14. European Council Follow-up *State of play*

The Committee took note of the main outcomes of the European Council and the Presidency informed how it intends to take work forward in order to implement the orientations set out by the European Council.

15. Cohesion policy legislative package 2021-2027

a) Overall state of play of negotiations *Progress report* 14957/19

The Committee took note of the progress report.

b) Common Provisions Regulation Progress report 14962/19 + ADD 1-2

The Committee welcomed the progress report and acknowledged the progress made in the negotiations with the EP.

c) Interreg Regulation Progress report 14960/19

The Committee welcomed the progress report and acknowledged the progress made in the negotiations with the EP.

d) European Regional Development Fund/Cohesion Fund Regulation Report by the Presidency 14958/19

The Committee took note of the report by the Presidency.

16. Presidency report on openness and transparency *Information from the Presidency*

14856/19 + COR 1

The Committee took note of the information provided by the Presidency.

17. Working methods - Synthesis report *Endorsement*

15132/19

The Committee took note of the synthesis report.

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Foreign Affairs

Meeting of the Council (Foreign Affairs) on 20 January 2020: Agenda

The EEAS presented the main items on the agenda.

Economic and Financial Affairs

Meeting of the Council (Economic and Financial Affairs) on 21 January 2020: Agenda

The Presidency presented the main items on the agenda. One delegation requested the addition of an item on digital taxation and the Commission requested the addition of an item on the financial aspects of the European Green Deal.

In the margins of Coreper:

MEETING OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE 27 MEMBER STATES 1

Economic and Financial Affairs

Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union - Common Understanding

Endorsement

The representatives of the governments of the 27 Member States meeting in the Committee endorsed a Common Understanding establishing the dedicated practical arrangements referred to in the Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union, as set out in 15212/19.

The Commission indicated its agreement to accept the mandate given under that Common Understanding.

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Belgium, Bulgaria, Czechia, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland and Sweden

IV. Any other business

COREPER (PART 1)

None.

COREPER (PART 2)

European Semester

The Committee took note of the information provided by the Commission.

Benin

The Committee took note of the information provided by the EEAS and the Council Legal Service. The Presidency informed on the handling of the issue at the first available Council meeting.

"I" items approved

COREPER (PART 1)

Institutional Affairs

Written questions

9.	by M	ies to questions for written answer submitted to the Council Iembers of the European Parliament otion by silence procedure	15081/19 PE-QE
	a)	Markéta Gregorová (Verts/ALE) "Russian economic intimidation practices against Georgia, and support for the #spendyoursummerinGeorgia campaign"	14982/19
	b)	Jorge Buxadé Villalba (ECR) "Regional disembarkation platforms"	14981/19
	c)	Gunnar Beck (ID) and Jörg Meuthen (ID) "Ms Lagarde's comments on the fiscal rules for Greece"	14980/19
	d)	Markéta Gregorová (Verts/ALE)	14467/19

Space

10. EU's possible declaration of acceptance of the rights and obligations of the relevant UN Space Treaties

Information note for the Permanent Representatives Committee (Part 1)

14903/1/19 REV 1

ESPACE

EU positions for international negotiations

"EU response to Turkish aggression"

11. Council Decision on the EU position in the Joint Committee of the Canada Agreement concerning air transport 14826/19 + COR 1

Adoption

AVIATION**

Agriculture

12. Reply to the letter of the EP COMAGRI and COMENVI Chairs regarding Commission proposals on animal cloning

Approval of a letter

15019/19
14035/19
AGRILEG

COREPER (PART 2)

Judicial Affairs

22.	Case C-680/19 P, FULMEN	
	Information note for the Permanent Representatives Committee	JUR
	(Part 2)	

23. Case C-681/19 P, Mahmoudian

Information note for the Permanent Representatives Committee
(Part 2)

14800/19

JUR

24. Case T-700/19 (Al-Gaoud v. Council)

Information note for the Permanent Representatives Committee
(Part 2)

14882/19

Economic and Financial Affairs

25. Regulation on Sustainable Finance - taxonomy

Confirmation of the final compromise text with a view to
agreement

14970/19 + ADD 1

EF

Statement by Austria

"We share the objective to establish a credible taxonomy that will guide investors in identifying environmentally sustainable activities. We still believe that the taxonomy should be adopted as quickly as possible. Substantial progress was already achieved within the trilogue. However, any taxonomy that would allow for nuclear power to be qualified as sustainable, or even as a "transition" or "enabling activity", would be inherently flawed and could give rise to severe criticism, as it would send the wrong signals and incentives to financial market participants and investors. The outcome of the negotiations is not able to remove our concern that the proposed framework could leave the door open to diverting financial resources away from environmentally sustainable activities and into technologies that cannot be considered either safe or sustainable, such as nuclear power."

Statement by Bulgaria

"We support the objectives of the Regulation to incentivise investments in environmentally sustainable activities.

However, we are of the view that the text as agreed between the Council, the EP and the EC raises serious concerns on key issues such as the scope, the review of the scope which introduces a negative list of activities, the governance, as well as the climate neutrality issue. We believe that these changes can be counterproductive to the objectives of the Regulation."

Statement by Germany

"We share the objective to establish a credible taxonomy that will guide investors in identifying environmentally sustainable activities. However, with a view to the inclusion into the taxonomy of sectors for which the EU does not have competence to regulate, we have strong concerns regarding the use of delegated acts. As regards the forestry sector, we stress that the formulation of forest policies is the competence of the Member States. The use of delegated acts to define sustainability criteria in relation to the forestry sector should not prejudice any shift of competence from the Member States to the EU in this policy domain. In addition, as to "sustainable forest management" Germany is of the opinion that the definition as contained in FOREST EUROPE Resolution "General Guidelines for the Sustainable Management of Forests in Europe", as unanimously adopted by the Member States and the European Union in 1993, should be regarded as the basis."

Statement by Hungary

"Hungary would like to express remaining major concerns with regard to the final outcome of the negotiations on the Taxonomy Regulation as follows.

In line with the European Council Conclusions of 12 December 2019 we are among those Member States that will decarbonize the national energy system on a technologically neutral way and by using all available low carbon energy sources.

The concept of classifying nuclear related economic activities and gas related investments as transitional is a major risk with negative consequences for future investments except if the Commission will ensure the sustainable classification in second level legislation. Facilitating the shift of financing towards environmentally sustainable investments should be inclusive, transparent, gradual and a tolerant process, instead of establishing regulatory barriers to develop low carbon solutions and creating inproportionate administrative burden on financial and economic market players.

Furthermore we would also like to express concerns with the significant widening of the material and personal scope of the Regulation. Extending the scope to products that do not pursue any kind of environmental, social or governance aim would only add to the administrative burden of market participants without providing further useful information to investors. Moreover, extending the scope to companies within the scope of article 19a and article 29a of Directive 2013/34/EU is also not appropriate. The non-financial reporting requirements are subject to fitness check conducted by the European Commission and the revision of the requirements are also foreseen, therefore any new requirement in this field should have been introduced after thorough assessment with the relevant experts."

Statement by Poland

"Poland expresses gratitude for the Finnish Presidency for its efforts to finalize work on the taxonomy. Poland fully supports the objectives of the regulation, in particular, support for informed business decisions for investments in environmentally sustainable activities. We are on the position that the current text leaves too much room for interpretation on key issues. They are left to be decided in Level 2 acts, which will also be adopted with too little involvement of the Member States.

We take a negative view of the fact that there is no guarantee in the regulation that natural gas is recognized as a transition activity. Poland points out that natural gas is an essential bridge fuel used to replace coal and, at the same time, to secure the dynamic development of renewable energy sources. What is more, the practical implementation of the principle of 'Leaving no one behind' in Poland nowadays are investments in natural gas. Without these investments, Poland's energy transformation will slow down significantly, to be potentially harmful to the EU's climate policy.

The text of the regulation does not directly reflect the role of nuclear energy. Nuclear energy is essential to achieve climate neutrality, which has been confirmed both by reports and analyses of recognized international organizations and above all by documents of the European Commission or by the latest resolution of the European Parliament on COP 25 (rec. 56).

Moreover, considering the controversial issue of nuclear power within the framework of negotiations on the text of the regulation, the decision on its inclusion in the taxonomy should not be left to the lower level acts.

Poland expects that in the light of the compromise which was adopted in the field of nuclear energy and gas, the works on delegated acts will respect the principle of technological neutrality.

Poland agrees with the idea of creating legal framework that would encourage financing sustainable growth. However, in our view such actions should be consistent with other actions undertaken at the European Union level as well as they should ensure proportionality. In our opinion introducing the additional disclosures obligations with regard to sustainability in the Taxonomy regulation, which are parallel to those foreseen in disclosure regulation, without conducting any deep analysis when preparing legislative proposal by the European Commission, can result in raising the capital outside capital market. Therefore, such situation can be contradictory to the actions foreseen within Capital Markets Union. Moreover, the adopted approach concerning regulating disclosures obligation with regard to sustainability simultaneously in two legal acts (Taxonomy and disclosures regulation) leads to the lack of the transparency of the provisions and to the interpretational doubts on the side of entities to whom the provisions are directed.

Considering the above, we call on the European Commission to take duly into account, while adopting delegated acts, the rules of proportionality and coherence in order to ensure as well fulfilling the goals of Capital Markets Union. We also call on the European Commission to take into account, when undertaking legislative proposals in the future, the existing connection between this regulation and disclosure regulation.

In view of the above, Poland does not oppose the adoption of the Regulation on Sustainable Finance - taxonomy, but cannot support it."

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www.parlament.gv.at

Statement by Malta

"Malta welcomes the underlying objective of the creation of an EU-wide classification system that identifies which economic activities can be considered environmentally sustainable, by way of the proposed Regulation on the establishment of a framework to facilitate sustainable investment, and amending Regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

Nonetheless, Malta has reservations on the governance aspects. Malta regrets that the determination of technical thresholds through implementing acts as provided by the Council's General Approach was not retained in the final agreement. Malta is of the view that the use of implementing acts would have ensured better Member State involvement.

In the circumstances, Malta would like to stress the importance of giving adequate time for Member States to properly assess and provide feedback with regard to any aspects of the technical screening criteria that shall be determined through delegated acts."

Joint Statement by Austria, Czech Republic, Estonia, Latvia, Poland, Slovakia and Sweden

"We, the delegations of Austria, Czech Republic, Latvia, Poland, Slovakia and Sweden, appreciate the effort of the Presidency to reach an agreement with the European Parliament on the taxonomy dossier. In view of the work ahead of us, we find it necessary to make two remarks in relation to sustainable forest management and forest policy.

Throughout the negotiations on the taxonomy, we have persistently called for a clear and unambiguous reference to Forest Europe's definition of 'sustainable forest management'. We regret that this was not maintained in the final compromise text.

Forest Europe's internationally agreed, well-recognized and acknowledged definition of sustainable forest management has helped to promote a pan-European common understanding of sustainable forest management for almost 30 years. The final compromise struck by the colegislators introduces a different notion of sustainable forest management that may diffuse the common understanding among the 47 Forest Europe signatories, including the EU and its Member States. It is paramount to maintain this agreed definition in the development and application of the Taxonomy Regulation. Departing from this common understanding could lead to incoherent use and application of sustainable forest management.

We would also like to recall what the Council of the European Union has stated twice this year¹: that although the EU has a variety of forest-related policies, the Treaty on the Functioning of the European Union makes no reference to a common EU forest policy, that the responsibility for forests lies with the Member States, and that all forest-related decisions and policies in the EU must respect the principle of subsidiarity and Member States' competence in this field.

We urge the Commission and future expert groups to take the above-stated into consideration when developing technical screening criteria and secondary legislation. "

Conclusions of the Council and of the Governments of the Member States sitting in the Council on the Communication on Stepping Up EU Action to Protect and Restore the World's Forests (adopted 16 December 2019) Council Conclusions on the progress on the implementation of the EU Forest Strategy and on a new strategic framework for forests (adopted 15 April 2019)

26.	Presidency progress report in the area of combating fraud	15127/19 GAF
27.	Appointment of a new member of ESGAB Adoption	14665/19 12737/19 STATIS
28.	Council Implementing Decision authorising Luxembourg to prolong a VAT derogating measure as regards small businesses <i>Adoption</i>	14808/19 14766/19 FISC
29.	 Excise duties a) Directive on general arrangements for excise duty (recast) b) Regulation on administrative cooperation of the content of electronic register Adoption 	14915/19 + COR 1 14107/19 14108/19 FISC
30.	Decision on computerising the movement and surveillance of excise of goods (recast) Adoption of the legislative act	9173/19 PE-CONS 37/19 FISC
31.	Macro-financial assistance to the Hashemite Kingdom of Jordan Decision Adoption of the legislative act	13379/19 PE-CONS 96/19 ECOFIN RELEX
32.	Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union <i>Adoption</i>	15045/19 12412/1/19 REV 1 FIN
33.	Regulation on quotas for certain agricultural and industrial products <i>Adoption</i>	14874/19 14376/19 UD
34.	Regulation on suspensions on certain agricultural and industrial products <i>Adoption</i>	14888/19 14529/19 UD
35.	Council Decision to authorise the European Commission to open negotiations for a Customs Cooperation and Mutual Administrative Assistance Agreement (CCMAA) with Belarus <i>Adoption</i>	14891/19 14483/19 + ADD1 UD

Statement by the Commission

"The Commission does not consider it necessary that a Council Decision authorising the opening of negotiations indicates a substantive legal basis."

36. Regulation on Customs Control Equipment *Confirmation of the Common Understanding*

15010/19 UD

Joint statement by The Netherlands, Denmark, Germany, Greece, Ireland, Malta and Sweden

"The Netherlands, Denmark, Germany, Greece, Ireland, Malta and Sweden take note of the common understanding concerning the proposal for a Regulation of the European Parliament and of the Council establishing, as part of the Integrated Border Management Fund, the instrument for financial support for customs control equipment.

With regard to Article 3 (1) which mentions the long-term aim of harmonized application of customs controls by the Member States, the Netherlands understands this provision to include that different conditions at border crossing points will be taken into account."

Statement by Denmark

"Denmark cannot support the (partially) common understanding relating to the instrument for financial support for customs control equipment.

Denmark is extremely concerned about the lack of respect for the division of competences and responsibilities, which was contained in both the Commission's original proposal, the Council's negotiating text and in the text of the (partial) common understanding. It is our clear conviction that the organization of customs controls, including the equipment that the national customs authorities must have, is a matter for the Member States alone. We do not think our serious concerns have been duly dealt with.

Denmark continues to consider it much more appropriate with a customs instrument, which is more in line with already known instruments in other areas. And not least an instrument that clearly reflects that it is up to Member States to assess the needs they have and, in view of these needs, apply for (co)funding from the EU-fund and receive funds based on criteria, which is clear and pre-defined in the regulation itself.

In addition, Denmark has repeatedly asked the Commission for an overview of funds already available and used for customs purposes through the last few years from existing programs. This has not yet been received. It is crucial to assess the funds that should be in such a fund. Again, Denmark encourages the Commission to present such an overview."

37. Regulation on Customs programme *Progress report*

15014/19 UD

38. Regulation on the establishment of the Reform Support Programme and Regulation on the establishment of the Governance Framework for the BICC Report by the Presidency

14644/1/19 REV 1 ECOFIN

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39. Motor Insurance Directive Mandate for negotiations with the European Parliament

14645/19 EF

Statement by Hungary

"The following statement is to be considered during the negotiations with the European Parliament:

Hungary welcomes the intention to start negotiations with the European Parliament on the revision of the Motor Insurance Directive, however, we have several major concerns to be considered relating to the Proposal. We believe that these comments should be taken into account in order to achieve a balanced compromise on the Proposal.

The major general concerns of Hungary are the following:

One of the most important starting point of the present amendment of MID was to clarify the meaning of motor vehicle (and its' use). The Proposal goes in the opposite direction: creates much more uncertainties by broadening the meaning (and use) of motor vehicle and including even more undefined categories (eg. crime, motor equipment).

Extending the scope of the Directive to exceptional or rare cases (eg. crime, vehicles on closed area) would lead to a significant rise of insurance premiums.

The same is true if the compensation body is liable of paying the compensation under Article 5, as these bodies are funded by insurance undertakings that include the cost of funding the compensation body in insurance premiums. In HU the level of motor insurance liability premiums poses a huge burden on households compared to the average income. Including provisions in the Directive regarding cases that fall outside of the scope of the Directive (eg. motor equipment) is also problematic. According to Article 179. of Solvency II, Member States freely can impose compulsory insurance on cases they deem necessary. Thus we think that all cases that are not belonging to the scope of the Directive should be deleted either from the Proposal or from the Preambles and left to the decision of the Member States if they would like to impose compulsory insurance on these cases or not.

Moreover, since the proposed amendment of the Directive would result in significant extension of the scope (especially regarding crime and motor equipment) compared to the original proposal of the COM, a new impact assessment should be conducted concerning the recently introduced elements.

Motor equipment

Recital (2b) and new paragraph inserted after the first subparagraph of Article 28 Pararaph The proposal is not duly founded from legal technical, nor from professional point of view. The meaning of "motor equipment" is not defined in the Proposal, and MID should not lay down rules regarding objects that do not fall within of the scope of the MID. One of the most important starting point of the present amendment of MID was, that the meaning of motor vehicle was not clear.

Vehicles used exclusively on areas with restricted access

Recital (3a) and Article 5 new paragraph (4)

It raises concerns that vehicles used exclusively on areas with restricted access fall into the scope of MID. A significant part of such vehicles are of special function and construction, and in a number of cases they are not registered either. They are typically used for work and thus the injuries caused by them are to be considered injuries at work that should be compensated by the employer. Therefore, it cannot be justified that injuries caused by these uninsured vehicles should be compensated by the compensation body, which is ultimately funded by the policyholders of other, insured vehicles. Nevertheless, it should be considered that in case of defining 'in traffic', this issued could be solved.

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Vehicles used as means of crime

Recital (3b)

In cases of crime the vehicle is not used as a means of transport but as weapon, therefore these cases cannot belong to the scope of motor insurance by definition. There will be a differentiation between compensation of injuries caused by crime depending on whether a vehicle has been used or not, which may lead to unjustified discrimination. A holistic approach should be applied in case of victims of crimes, which cannot be regulated within the framework of MID. An overall impact assessment should be carried out covering the possible impact of the Proposal.

Vehicles in the manufacturing process

Recital (3d)

Prescribing business liability insurance in case of vehicles that are not used in transport function does not belong to the scope of MID, therefore this obligation is also questionable.

Definition of vehicle

Article 1. point 1

It is raises major concerns how the rule regarding maximum design speed can be applied if the km/h is not indicated by the manufacturer.

Specifying net weight is questionable, as it is the gross weight that ultimately decides the dimension of injury. However, gross weight cannot be determined beforehand, thus the deletion the reference to the weight should be taken into account."

Statement by Denmark

"Denmark welcomes the agreement in the Council on a mandate to start negotiations with the European Parliament on the revision of the Motor Insurance Directive¹ and commends successive Council presidencies for their efforts aimed at achieving a balanced compromise on the proposal.

We generally find that the current compromise achieves a pragmatic solution, which secures a more harmonised approach to ensuring compensation to injured parties in case of insolvency. However, we have the following comments regarding the newly proposed recital 7e and the new addition to Article 25a, which state that financial contributions from insurance undertakings imposed by the Member States should only be collected from insurance undertakings authorised by the Member State concerned (i.e. the Directive states that contributions should only be imposed on the insurance undertaking in its home country). While we fully agree with the principle of avoiding double contributions, we find that the proposed wording of recital 7e and of Article 25a creates some obstacles to the wellfunctioning funding model currently in place in Denmark.

The current funding model for the general Danish Guarantee Fund relies on contributions paid by the consumers on top of their insurance premiums. The contributions are collected by all insurance undertakings who have written insurance contracts with consumers in Denmark. Contributions are thus collected from all insurance contracts with consumers, thus both from insurance undertakings authorised in Denmark and insurance undertakings who have been authorised in other EU countries and have their head office in other EU countries (i.e. insurers with another home Member State). The insurance undertakings then transfer the contributions to the Danish Guarantee Fund. While contributions could in principle be collected in other

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Proposal for a directive of the European Parliament and of the Council amending Directive 2009/103/EC of the European Parliament and the Council of 16 September 2009 relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to ensure against such liability

ways, for all practical purposes, it is easiest for the insurance undertakings to charge the consumer for the contribution directly and transfer it to the Guarantee Fund. With the current wording of recital 7e and Article 25a, insurance undertakings who have been authorised in another Member State will however not be able to collect the contribution from the consumer and transfer the contribution to the Danish Guarantee fund.

Reflecting the Danish funding model, Denmark encourages the Council to ensure in the coming negotiations with the European Parliament that a derogation from the general rule in recital 7e and article 25a is introduced, allowing Member States to impose financial contributions to be collected by insurance undertakings based on the host principle, i.e. from all insurance undertakings operating in a Member State, in the situation where the contribution is "passed through" to the consumer. Such a derogation could be introduced by inserting the following into recital 7e and the second subparagraph of Article 25a: "Notwithstanding this, host Member States preserves the right to require insurance undertakings authorised in other Member States to collect contributions from policyholders and transfer them to the host Member State compensation body in order to ensure proper funding arrangements."

If no such derogation is introduced, the Danish market for motor liability insurance would experience significant disturbance from the fact that Danish insurers would have to charge their policyholders a higher premium (i.e. premium plus contribution) than non-Danish insurance undertakings, who only have to charge their policyholders the premium determined by the insurance undertaking. Therefore, if contributions to the guarantee funds are to be payed by consumers, they need to be paid by all consumers to avoid disturbances to national insurance markets in the Member States.

Further, Denmark finds that it should be possible for all Member States to have the option of utlizing a funding model where consumers contribute to the funding of guarantee funds. Such funding models allow consumers to collectively contribute to the guarantee funds that they in turn receive the benefits of in case of insolvency. Such well-functioning funding arrangements can also increase consumer protection by ensuring higher coverage in case of insolvency."

Statement by Malta

"Malta does not support the text of the negotiating mandate on the Motor Insurance Directive in document 14645/19.

Malta cannot accept the text in its entirety as it still entails the introduction of a home-based insolvency compensation body without appropriate provisions relating to the funding model, thus falling short of having a minimum ex-ante harmonisation of contributions. In Malta's view, this is a fundamental issue which should have been addressed in order to avoid creating an unlevel playing field between Member States in the insurance sector. Moreover, the latest compromise text threatens the cross-border provision of insurance services and in that regard, it is important that such funding arrangement is adequately designed to address the risk of regulatory arbitrage."

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General Affairs

40.	Presidency progress report on the FoP IPCR/SCI activities and extension of the group's mandate Report by the Presidency Approval	15033/19 IPCR
41.	IPCR Preparedness Endorsement	14939/19 IPCR
42.	Outcome of video conferencing pilot Report by the Presidency	15050/19 10630/19 CIS
43.	Implementation of the Interinstitutional Agreement on Better Law-Making - State of play	15109/19 INST
44.	Reports from the Commission to the European Parliament and the Council on progress in Bulgaria and Romania under the Cooperation and Verification Mechanism Report by the Presidency	15072/19 COVEME
45.	Multiannual Financial Framework 2021-2027 Progress report Approval of a letter	14680/19 CADREFIN

Justice and Home Affairs

46. Commission proposals in the context of the Multiannual Financial Framework

a) Regulation establishing the Asylum and Migration Fund (AMF) 14616/19

Joint statement by Malta and Cyprus

"Throughout the discussions on Annex 1 of the Asylum and Migration Fund and the Border Management and Visa Instrument, Malta and Cyprus have raised concern that the national allocations do not take into account the situation of insular societies facing persistent disproportionate migratory challenges and made proposals to adequately address such concern. Malta and Cyprus based their input on the similar consideration given to Malta and Cyprus with respect to the same funds covering 2014-2020. Malta and Cyprus acknowledge the footnote included in the respective annexes and the progress report with reference to insular societies facing disproportionate pressure. Nonetheless, national allocations of the AMF and BMVI should reflect the increased migratory challenges, faced by Cyprus and Malta. Thus, there is an imperative need for this issue to be further addressed as discussions on the respective provisions progress."

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b) Regulation establishing the Internal Security Fund (ISF)

14620/19
FRONT

c) Regulation establishing the border management and visa instrument (BMVI) as part of the Integrated Border

FRONT

Progress report

Joint statement by Malta and Cyprus

Management Fund

"Throughout the discussions on Annex 1 of the Asylum and Migration Fund and the Border Management and Visa Instrument, Malta and Cyprus have raised concern that the national allocations do not take into account the situation of insular societies facing persistent disproportionate migratory challenges and made proposals to adequately address such concern. Malta and Cyprus based their input on the similar consideration given to Malta and Cyprus with respect to the same funds covering 2014-2020. Malta and Cyprus acknowledge the footnote included in the respective annexes and the progress report with reference to insular societies facing disproportionate pressure. Nonetheless, national allocations of the AMF and BMVI should reflect the increased migratory challenges, faced by Cyprus and Malta. Thus, there is an imperative need for this issue to be further addressed as discussions on the respective provisions progress."

47.		il Protection ort by the Presidency	14026/19 PROCIV
48.	EU-	Belarus - Readmission agreement	14549/19
	a)	Council Decision on the signing <i>Adoption</i>	12144/1/19 REV 1 MIGR
	b)	Council Decision on the conclusion Request for the consent of the European Parliament	12158/1/19 REV 1 12160/19
49.	Eur	encil Implementing Decision on compensation mechanism - ojust ption	14798/19 14742/19 COPEN

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50. Council Implementing Decision approving the rules of procedure of Eurojust *Adoption*

14792/19 14614/19 COPEN

Statement by Italy

"L'Italia si rammarica che la sua proposta di integrazione del testo delle regole interne in questione sia stata disattesa.

Come abbiamo avuto modo di evidenziare in più occasioni, ci rammarichiamo della mancanza di qualsivoglia riferimento a regole operative nel testo della attuale proposta. Queste regole avrebbero potuto assicurare il funzionamento operativo dell'organismo. La corrente proposta di regolamento interno, in quanto include solo gli aspetti gestionali dell'Agenzia, omette di considerare totalmente gli aspetti operativi e non è coerente con lo spirito e la lettera del Regolamento 2018/1727.

Ci rammarichiamo, inoltre, della mancanza di qualsivoglia riferimento a regole sul Desk (Uffici nazionali), nel testo della attuale proposta.

Il concetto di Ufficio (o Desk) Nazionale avrebbe dovuto essere incluso e regolamentato, almeno nei suoi aspetti essenziali, nel regolamento interno di Eurojust. Il Desk nazionale costituisce un aspetto centrale nella vita operativa dell'Agenzia e questo nuovo regolamento interno sarebbe stata la sede idonea per chiarire ed includere tale definizione, proprio per integrare il regolamento 2018/1727, ove esso è citato più volte.

L'Italia, conseguentemente, rileva che è stata persa una importante e preziosa occasione per potere regolamentare in modo completo ed esaustivo Eurojust, i suoi organi fondamentali ed i suoi meccanismi di funzionamento operativi."

Courtesy translation

"Italy regrets that its proposal to integrate the text of the internal rules in question has not been accepted.

As we have had occasion to highlight, we regret the lack of any reference to operative rules in the text of the current proposal. These rules could have been used to ensure the operational functioning of the organism. The current proposal of rules of procedure, which includes only the management aspects of the Agency, fails to fully consider the operational ones and does not comply with the spirit and the text of Regulation 2018/1727.

We also regret the lack of any reference to the Desk (national offices), in the text of the current proposal.

The concept of a National Office (or Desk) should have been included and regulated, at least in its essential components, in the rules of procedure of Eurojust. The National Desk is a central aspect in the operational dimension of the Agency and the drafting of these new rules of procedure in our view was the appropriate place to clarify and include its definition, precisely to integrate Regulation 2018/1727 where the Desk is mentioned several times. Italy, consequently, notes with regret that an important opportunity to regulate Eurojust, its fundamental organs and its operational functioning mechanisms has been lost."

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51.	Accession by Barbados to the 1996 Hague Convention <i>Adoption</i>	15034/1/19 REV 1 JUSTCIV
52.	Accession by Guyana to the 2007 Hague Convention <i>Adoption</i>	15036/19 JUSTCIV
53.	Council position and findings on the application of the General Data Protection Regulation (GDPR) Adoption	14994/19 DATAPROTECT
54.	Frontex Programming Document 2020-2022 Approval of a letter	15054/19 FRONT
For	eign Affairs	
55.	PSC Decision EUAM Iraq/3/2019 - appointment of the Head of Mission Decision to publish in the Official Journal	14482/19 14351/19 PSC DEC
56.	Regulation establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI) Progress report	14935/19 CADREFIN
57.	Draft Cooperation Arrangement Bahrain Approval	14916/19 MOG
58.	NBI Commitments to tackle sexual exploitation, abuse and harassment in aid sector <i>Adoption</i>	14897/19 COHAFA DEVGEN
59.	EU-KSA Consultations <i>Approval</i>	14794/19 R-UE COTER COPS
60.	Council Decision in support of a global reporting mechanism on illicit conventional arms and their ammunition to reduce the risk of their diversion and illicit transfer ('iTrace IV') <i>Adoption</i>	15024/19 14439/19 CORLX
61.	Council Decision concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine - extension <i>Adoption</i>	15155/19 14584/19 CORLX
62.	Syria restrictive measures - draft reply to delisting request <i>Approval</i>	15162/19 CORLX

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63. EU-China Strategic Cooperation Agenda 2025

Approval of entering into negotiations

COASI

64. EU-India Joint Agenda for Action 2025

Approval of entering into negotiations

15032/19

COASI

65. Exercise Specifications (EXSPEC) for the 2020 EU Crisis

Management Military Exercise (MILEX 20)

Approval

CSDP/PSDC

66. Negotiations of Economic Partnership Agreements with the
African, Caribbean and Pacific countries and regions
Council Decision
Decision of the Representatives of the Governments of the
Member States, meeting within the Council
Negotiating directives
Adoption

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14899/19 + ADD 1
14900/19
ACP

Statement by the Commission

"The European Commission takes note of the changes introduced by the Council to its recommendation under Article 218(4) TFEU. It wishes to record its objection to those changes for the reasons explained here below:

In accordance with the long-standing case law of the Court of Justice, the choice of the legal basis of a Union measure is to be made on the basis of the centre of gravity test that requires the examination of the objective and content, of the act. According to this test, the single legal basis of EU measures is the rule, while multiple legal bases are an exception. In the present case, the main objective and content of the decision to update the negotiating directives for the negotiations of Economic Partnership Agreements (EPAs) with African, Caribbean and Pacific (ACP) countries and regions relate to trade (Article 207 TFEU).

Thus, the development cooperation part of the negotiating directives is ancillary to the traderelated part and the addition of Article 209 TFEU as legal basis is legally not justified. By the same token, the negotiating directives also do not contain any language relating to transport. As a result, the addition of Articles 90 and 100 (2) TFEU as a legal basis is unwarranted.

In the light of the above, the substantive legal basis of the Decision, if any, should be Article 207 TFEU.

The Council also proposed a number of amendments to the draft decision submitted by the Commission and introduced a second Decision to be adopted by the representatives of the governments of the Member States meeting within the Council to authorise the Commission to negotiate, on behalf of the Member States, EPAs, to the extent that they fall within the competences of the Member States. These amendments and the proposed second Decision flow from the Council proposal to add Article 209 TFEU as a legal basis. However, the proposal for a second decision is not necessary. The Commission as the negotiator of the Union can negotiate the EPAs in their entirety.

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Therefore, given that the recommended substantive legal basis for the Decision on the negotiating directives for the negotiations of EPAs with ACP countries and regions is Article 207 TFEU, the amendments proposed by the Council as well as the additional Decision to be taken by the representatives of the governments of the Member States are legally unwarranted. As a result, all the amendments and the additional Decision proposed by the Council should be rejected.

For the reasons outlined above, the Commission reserves for itself the right to have recourse to all means available under the Treaty."

Statement by Spain

"The strengthening of the trade and economic relations with the ACP countries is at the core of the EU strategy for Africa.

Hence the deepening of the Economic Partnership Agreements signed with several countries signatories of the Cotonou Agreement is key in the implementation of this strategy.

Nevertheless, the process underwent to launch this exercise has lacked the necessary time to evaluate and discuss carefully the mandatory directives to be given by the Council to the EU Commission for the modernization of the Agreements.

Furthermore, we would have preferred the Decisions to have been presented to COREPER with the relevant written legal analysis for the delimitation of the parts of the EPAs that correspond to exclusive competences of the EU and the parts that fall under the competences of the Member States. Spain considers that art. 207.3 TFUE is an implicit legal base when mentioning art. 207.4 TFUE and the Council Decision ensures that the special committee will be consulted in all trade related matters."

67.	Council Decision amending the Overseas Association Decision <i>Adoption</i>	15130/19 12355/19 ACP
EU 1	positions for international negotiations	
68.	Council Decision on the EU Position in the Committee on Rules of Origin (WTO GATT 1994) Adoption	14964/19 14929/19 UD
69.	Council Decision on the EU position to be adopted in the CETA Joint Committee to adopt the List of Arbitrators pursuant to article 29.8 of the Agreement <i>Adoption</i>	14733/19 14734/19 WTO
70.	Council Decision on the EU position in the EU-Republic of Moldova Association Committee in Trade configuration on the update of Annex XV to the Association Agreement <i>Adoption</i>	14984/19 + COR 1 14642/19 COEST

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Other items

Council Decision amending Council Decision 2013/488/EU on the security rules for protecting EU classified information Adoption

14721/3/19 REV3 14796/19 CSC

72. Interim approval of a cryptographic product **Approval**

14963/19 **R-UE CSCI CSC**

Delegated or Implementing Acts

Foreign Affairs

73. Commission Delegated Regulation (EU) .../... of 25.11.2019 amending Annex II to Regulation (EU) No 978/2012 of the European Parliament and of the Council applying a scheme of generalised tariff preferences. Delegated act - Intention not to raise objections

15098/19 14542/19 **SPG**

Energy

74. Conclusions on waste management in non-energy uses of nuclear and radiological technologies Adoption

14564/19 ATO

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