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THE EUROPEAN UNION**



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Economic and Financial Affairs

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Main results of the Council

*The Council adopted harmonised rules on **bank recovery and resolution**, following their approval by the European Parliament.*

*It adopted conclusions on **macroeconomic imbalances** in the member states, in the light of the Commission's in-depth reviews.*

*The Council adopted a directive on the **protection of the euro** and others currencies against counterfeiting by criminal law.*

*It authorised the opening of negotiations with **Switzerland** on an institutional framework to govern bilateral relations.*

*It amended the list of third countries whose nationals must be in possession of **visas** when entering a member state of the EU.*

*The Council adopted a regulation aimed at making the EU **solidarity fund** more responsive and simpler to use. The fund provides financial assistance in the event of natural disasters in Europe.*

*It approved an initiative enabling the **European Police College** to move its seat from Bramshill (United Kingdom) to Budapest (Hungary).*

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- 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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Mr Thomas WIESER

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Mr Hans VIJLBRIEF

President of the Economic Policy Committee

ITEMS DEBATED

COMPANY TAXATION – PARENT-SUBSIDIARY DIRECTIVE

The Council discussed a proposal to close a loophole that has allowed corporate groups to exploit mismatches between national tax rules in order to avoid paying taxes on certain types of profits ("hybrid loans") distributed within the group.

The proposed amendment to the EU's parent-subsidiary directive (2011/96/EU) would prevent double non-taxation by providing that the member state of the parent company would only refrain from taxing profits from the subsidiary to the extent that such profits were not deductible by the latter.

In the light of ministers' comments, the Council called on national experts to examine the dossier further and to clarify the text as necessary. The presidency's intention is to seek adoption of the amending directive at the Council's meeting on 20 June.

FINANCIAL TRANSACTION TAX

The Council discussed the situation concerning the introduction of a financial transaction tax (FTT) in 11 member states through the "enhanced cooperation" procedure. The presidency reported on work carried out so far.

The presidency took note of a joint statement by ministers of 10 participating countries and confirmed that all relevant issues would continue to be examined by national experts. It noted the intention of participating countries to work on a progressive implementation of the FTT, focusing initially on the taxation of shares and certain derivatives. The first steps would be implemented at the latest on 1 January 2016.

The Council decided in January 2013 to allow enhanced cooperation on the FTT to proceed¹ after a proposal for an EU-wide FTT failed to obtain unanimous support. The participating countries are Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia.

The United Kingdom has brought before the Court of Justice an action for annulment of the decision authorising enhanced cooperation. That action was dismissed by the Court on 30 April 2014.

In February 2013, the Commission presented a proposal for a directive aimed at implementing enhanced cooperation on the FTT. The proposal defines the substance of that cooperation. It is almost identical to the Commission's initial proposal for an EU-wide FTT², involving a harmonised minimum 0.1% tax rate for transactions in all types of financial instruments except derivatives (to which a 0.01% rate would apply). It must be adopted by unanimous agreement of the participating countries, although all member states can participate in the discussion.

The objectives of the initial proposal are retained, namely: harmonising the features of the FTT within the participating member states; enabling the financial sector to make a fair and substantial contribution to tax revenues; and complementing regulatory and supervisory measures by creating a disincentive to transactions that do not enhance the efficiency of financial markets.

¹ [16977/12](#)

² The Commission presented its initial proposal in September 2011.

MACROECONOMIC IMBALANCES – IN-DEPTH REVIEWS

The Council adopted the following conclusions:

"The Council

1. In the context of the Macroeconomic Imbalances Procedure (MIP), WELCOMES the publication by the Commission of the in-depth reviews (IDRs) for the 16 Member States identified in the 2014 Alert Mechanism Report as warranting further analysis, as well as for Ireland following the successful completion of the Irish economic adjustment programme,¹ and the accompanying Communication summarising the main results of the IDRs. EMPHASISES the need to effectively implement the MIP, including its corrective arm where necessary. RECALLS that excessive macroeconomic imbalances were among the factors contributing to the sovereign debt crisis in the euro area.
2. CONSIDERS that the IDRs are structured in an appropriate way and present a thorough analysis of the imbalances in each of the Member States under review, taking country-specific circumstances and qualitative information into account. Relevant analytical tools are also applied in view of the specific challenges of each economy, while there is scope for further enhancing the link between the analysis and the identified policy challenges.
3. AGREES that 14 of the examined Member States (Belgium, Bulgaria, Croatia, Germany, Ireland, Italy, Slovenia, Spain, France, Hungary, the Netherlands, Finland, Sweden and the UK) are experiencing macroeconomic imbalances of various natures and magnitudes.
4. AGREES with the view of the Commission that excessive imbalances exist in 3 Member States (Croatia, Italy and Slovenia), and AGREES to the Commission's intention of assessing recently adopted as well as the planned policy measures outlined in National Reform Programmes and Stability and Convergence Programmes of these Member States, with a view to determine whether the policy actions are adequate in view of the challenges and risks linked to the imbalances.
5. TAKES NOTE of the Commission intention to consider on the basis of this assessment whether further steps are needed under the corrective arm of the MIP.

¹ See Council Conclusions on Alert Mechanism Report 2014 adopted on 18 February 2014

6. AGREES that 3 of the examined Member States (Denmark, Luxembourg and Malta) do not experience macroeconomic imbalances in the sense of the MIP. The macroeconomic and macro-financial risks in these countries appear limited and contained, and policy challenges are not such that they need to be addressed in the context of the procedure.
7. AGREES to the finding that, since last year, strong policy implementation has contributed to reduce imbalances and macroeconomic risks in Spain, so that the imbalances are no longer considered excessive by the Commission, although large stocks of accumulated imbalances remain.
8. UNDERLINES the need for policy action and commitment to structural reform in all Member States faced with macroeconomic imbalances to address imbalances, especially those affecting the smooth functioning of the euro area, in a durable manner, reduce risks, facilitate the rebalancing of the EU economies and create conditions for sustainable growth and jobs; and INVITES the Commission to come forward with well-focused and consistent recommendations to the Member States addressing macroeconomic imbalances in the context of the European Semester.
9. WELCOMES the Commission's plans with regard to specific monitoring of the recommendations by the Council to the Member States with excessive imbalances (Croatia, Italy and Slovenia), which it may step up if deemed necessary. Specific monitoring will also apply to euro area Member States where imbalances require decisive policy action (Ireland, Spain and France), in line with the Council recommendation No. 5 to the euro area Member States, and INVITES the Commission to outline how such a monitoring will be implemented in practice, while noting that the monitoring for Ireland and Spain will rely on post programme surveillance to avoid duplication of effort.
10. UNDERLINES that, although still fragile and uneven, the economic recovery is gaining ground. Supported by policy measures, this recovery is coupled with progress towards the correction of macroeconomic imbalances, notably a reduction of current account deficits underpinned by an adjustment in labour costs and improved competitiveness, a gradual reduction in private debt levels and a stabilisation in housing markets. At the same time current account surpluses remain high in some countries. However, NOTES that both private and public debt stocks remain high in several countries, and together with large external liabilities implies continued substantial vulnerabilities. Important challenges also include a lack of competitiveness, the impact of the necessary deleveraging on medium term growth; the high levels of private and public debt, especially in the context of very low inflation; and the difficulties faced by viable businesses in accessing affordable credit. Continued policy actions to address these challenges are essential to support the recovery, increase growth potential and reduce the high levels of unemployment.

11. STRESSES the importance of reducing imbalances in the euro area, also considering the interdependence of the economies. While policy action has been undertaken by euro area Member States, challenges remain. Actions needed to address macroeconomic imbalances and strengthen competitiveness are particularly important in the euro area, and the responsibility for the good functioning of the euro area and for increasing growth and employment lies primarily with individual Member States but also collectively in the Eurogroup. In addition, the reform areas in this respect are covered by the European semester framework and remain of interest to the EU as a whole. While continuing fiscal consolidation, challenges include the need for strengthening investment with a view to increase growth in the longer term, and enhancing competitiveness and addressing bottlenecks to medium-term growth through structural reforms, including in surplus countries, which would contribute to rebalancing within the euro area and support aggregate demand."

FOLLOW-UP TO INTERNATIONAL FINANCE MEETINGS

The Council took note of the outcome of international finance meetings held in Washington D.C. on 10-13 April, namely:

- G20 finance ministers' and central bank governors' meeting;
- Annual spring meetings of the IMF and the World Bank.

OTHER BUSINESS

The Council took stock briefly of work on financial services dossiers under the Hellenic presidency.

It noted that agreements had been reached on all the following proposals before the European Parliament adjourned for elections:

- single resolution mechanism for banks;
- bank deposit guarantee schemes;
- bank recovery and resolution;
- payment accounts;
- packaged retail and insurance-based investment products;
- central securities depositories;
- markets in financial instruments;
- investment funds (UCITS¹).

Although some of these texts are still being finalised, the ambitious agenda set by the European Council for financial services, and more specifically for Europe's banking union, has been completed.

For a number of other more recent proposals, work is still on-going, and agreement can be expected either late this year or in 2015.

¹ Undertakings for the collective investment of transferable securities.

MEETINGS IN THE MARGINS OF THE COUNCIL

The following meetings were held in the margins of the Council:

- ***Eurogroup***

Ministers of the euro area member states attended a meeting of the Eurogroup on 5 May. They discussed the economic situation in the euro area in the light of the Commission's spring economic forecast; in-depth reviews of macroeconomic imbalances in euro area countries; France's economic policy priorities; Germany's and Austria's updated draft budgetary plans; Greece's and Portugal's economic adjustment programmes; post-programme surveillance in Spain; and the European Stability Mechanism direct bank recapitalisation instrument.

- ***EIB annual governors' meeting***

Ministers met in their capacity as governors of the European Investment Bank for the annual EIB governors' meeting.

- ***Breakfast meeting***

Ministers held a breakfast meeting to discuss the economic situation in the light of the Commission's spring economic forecast.

- ***Meeting with the candidate countries***

Ministers met their counterparts from the candidate countries – Turkey, the former Yugoslav Republic of Macedonia, Montenegro and Serbia – for their annual economic policy dialogue.

OTHER ITEMS APPROVED

ECONOMIC AND FINANCIAL AFFAIRS

Bank recovery and resolution

The Council adopted a directive harmonising national rules on bank recovery and resolution ([*PE-CONS 14/14*](#)).

The directive provides national authorities with common powers and instruments to pre-empt bank crises and resolve any financial institution in an orderly manner in the event of failure, whilst preserving essential bank operations and minimising taxpayers' exposure to losses.

EU financial markets have become increasingly integrated, to the extent that domestic shocks in one member state can rapidly spread to other member states. Because of this risk and the important economic functions that banks provide, normal insolvency proceedings may not be appropriate in some cases. Since the onset of the financial crisis in 2007-08, the absence of effective instruments for the resolution of banks has often led to the use of public funds to restore trust in even relatively small banking institutions, so as to prevent a domino effect of failing institutions from causing real damage to the economy.

The directive accordingly establishes a policy framework for managing bank failures in an orderly manner and for avoiding such contagion, without resorting to taxpayers' money.

It establishes a range of instruments to tackle potential bank crises at three stages: preparatory and preventative, early intervention, and resolution. Member states are required, as a general rule, to set up *ex-ante* resolution funds to ensure that the resolution tools can be applied effectively.

Adoption of the directive follows an agreement reached with the European Parliament at first reading in December 2013.

For details, see [*press release*](#)

European Investment Fund

The Council adopted a decision on the EU's participation in a capital increase for the European Investment Fund ([*PE-CONS 74/14*](#)).

The capital increase was requested by the European Council in December as one of a number of actions aimed at restoring normal lending to the economy, in particular to SMEs. Adoption of the decision follows an agreement reached with the European Parliament at first reading.

Founded in 1994, the European Investment Fund (EIF) is used to stimulate sustained and balanced economic growth within the EU. It currently has a capital of €3 billion, divided into 3 000 shares of €1 million each, 20% of which is paid-in. The EU is currently subscribed to 900 shares for a nominal value of €900 million, of which €180 million is paid-in.

The EU will now subscribe an additional 450 shares, to be purchased over a four-year period starting this year, making use of appropriations already programmed within the EU budget.

The proposed capital increase, to be approved by all EIF shareholders, represents in total a 50% increase in subscribed capital from €3 billion to €4.5 billion, the aim being a sustained growth in the fund's activities in support of SMEs.

Financial assistance to Tunisia

The Council adopted a decision granting up to €300m in loans to Tunisia to support its economic stabilisation and reforms and to cover its balance of payments needs.

Tunisia's economy was significantly affected by the 2010 Arab Spring and by regional unrest that followed, as well as by a weak global economic environment.

The macro-financial assistance will be made available for a period of two and a half years, starting from the first day after the entry into force of a memorandum of understanding to be agreed between Tunisia and the EU. It will have a maximum maturity of 15 years.

External auditor of the central bank of Luxembourg

The Council adopted a decision approving the appointment of Deloitte Audit Sarl as external auditor of the Banque centrale du Luxembourg for the financial years 2014 to 2018.

Bank capital requirements - Delegated acts

The Council decided not to object to ten regulations adopted by the Commission, supplementing EU legislation on bank capital requirements.

The ten regulations involve regulatory technical standards:

- specifying the classes of instruments that adequately reflect the credit quality of a banking institution as a going concern and are appropriate to be used for the purposes of variable remuneration ([7856/14](#));
- for non-delta risk of options in the standardised market risk approach ([7863/14](#) + [ADD 1](#) + [ADD 2](#));
- for determining what constitutes the close correspondence between the value of a banking institution's covered bonds and the value of the institution's assets (7865/14);

- for assessing the materiality of extensions and changes of the internal ratings-based approach and the advanced measurement approach ([7866/14](#));
- specifying the information that competent authorities of "home" and "host" member states supply to one another ([7867/14](#));
- specifying the requirements for investor, sponsor, original lenders and originator banking institutions relating to exposures to transferred credit risk ([7868/14](#));
- further defining material exposures and thresholds for internal approaches to specific risk in the trading book ([7870/14](#));
- for the definition of market ([7871/14](#));
- for determining proxy spread and limited smaller portfolios for credit valuation adjustment risk ([7873/14](#));
- with respect to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on a banking institution's risk profile ([7463/14](#)).

As delegated acts pursuant to article 290 of the Treaty on the Functioning of the EU, these regulations can now enter into force, unless the European Parliament objects.

FOREIGN AFFAIRS

EU-Switzerland institutional framework

The Council adopted a decision authorising the opening of negotiations on an agreement between the EU and Switzerland on an institutional framework governing bilateral relations.

Relations with Switzerland are currently based on a complex system of more than 120 sector-specific agreements covering a wide range of EU policies, including Swiss participation in many areas of the EU's internal market.

See [press release](#).

Relations with Switzerland

The Council adopted a decision on the position to be taken on behalf of the EU within the joint committee as regards the adaptation of protocol No 3 (definition of the concept of 'originating products' and methods of administrative co-operation) to the EU-Switzerland agreement following Croatia's accession to the EU ([7546/14](#)).

European Economic Area

The Council adopted decisions on the position to be adopted, on behalf of the EU, in the EEA joint committee concerning amendments to protocol 31 to the EEA agreement, in order to allow for the participation of Norway, Iceland and Liechtenstein in Horizon 2020 and Erasmus+ ([7620/14](#), [7623/14](#)).

JUSTICE AND HOME AFFAIRS

Protection of the euro against counterfeiting

The Council adopted a directive on the protection of the euro and others currencies against counterfeiting by criminal law ([PE-CONS 45/14](#)).

The directive establishes minimum rules concerning the definition of criminal offences and sanctions. Sanctions should be effective, proportionate and dissuasive, and the most serious offences should be punishable by imprisonment.

For details, see press release ([9403/14](#))

EU visa-free regime

The Council adopted a regulation amending Council Regulation 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement ([PE-CONS 29/14](#)).

Under the amended regulation, nationals of Colombia, Dominica, Grenada, Kiribati, Marshall Islands, Micronesia, Nauru, Palau, Peru, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Solomon Islands, Timor-Leste, Tonga, Trinidad and Tobago, Tuvalu, the United Arab Emirates and Vanuatu will be exempt from the visa requirement when travelling to the Schengen zone. This exemption will come into force only when bilateral agreements on visa waiver between the Union and the countries concerned have been concluded in order to ensure full reciprocity.

For more information see press release ([9320/14](#))

Visa policy

The Council adopted a decision introducing a simplified regime for the control of persons at the external borders based on the unilateral recognition by Bulgaria, Croatia, Cyprus and Romania of certain documents as equivalent to their national visas for transit through or intended stays on their territories not exceeding 90 days in any 180-day period ([PE-CONS 33/14](#)).

This decision will make it possible for Bulgaria, Croatia, Cyprus and Romania to recognise Schengen visas for the purposes of transit or short stay in their territories.

European Police College

The Council adopted an initiative of several member states¹ for a regulation amending Decision 2005/681/JHA establishing the European Police College (CEPOL) ([PE-CONS 59/14](#)).

The decision allows CEPOL to move its seat from Bramshill (United Kingdom) to Budapest (Hungary) as from September 2014, following the information from the United Kingdom that it could no longer host CEPOL.

For more information see press release ([9275/14](#))

Enforcement of judgements in civil and commercial matters

The Council adopted a regulation amending regulation 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (a recast version of the so-called "Brussels I" regulation) ([PE-CONS 30/14](#)).

The aim of the amended regulation is to allow the rules of regulation 1215/2012 to be applied also by two courts common to several member states: the Unified Patent Court and the Benelux Court of Justice.

For more information see press release ([9356/14](#))

¹ Belgium, Bulgaria, the Czech Republic, Germany, Estonia, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland and Sweden

Data exchange - Hungary

The Council adopted a decision on the launch of automated data exchange with regard to Vehicle Registration Data (VRD) in Hungary ([8827/14](#)).

The evaluation procedure required by decision 2008/616/JHA (*OJ L 210, 6.8.2008*) concluded that the general provisions on data protection had been fully implemented by Hungary and it was therefore entitled to receive and supply personal data for the purpose of prevention and investigation of criminal offences as from the date of the entry into force of this decision.

Europol

The Council adopted an implementing decision amending Decision 2009/935/JHA¹ as regards the list of third States and organisations with which Europol shall conclude agreements ([8516/14](#)).

It is for Europol's Management Board to review the list when necessary; in October 2012 it decided to recommend to the Council that it add certain third States to the list.

TRADE POLICY

Free trade agreement with Columbia, Peru: Rules of procedure

The Council adopted a decision on the position to be taken by the EU within the trade committee set up by the trade agreement with Colombia and Peru, as regards the adoption of the rules of procedure of the committee, the rules of procedure and code of conduct for arbitrators, the establishment of the lists of individuals to serve as arbitrators and the list of persons with expertise on issues covered by title IX of the agreement, as well as the adoption of the rules of procedure for the group of experts ([8236/14](#) and [8237/14](#)).

BUDGETS

Amendment of the EU financial regulation

The Council adopted a regulation amending the EU's so-called financial regulation in order to take into account the outcome of the negotiations on the multiannual financial framework for the years 2014-2020 ([PE-CONS 78/14](#)).

The new regulation includes in particular the carry-over rules for the emergency aid reserve and for projects financed under the connecting Europe facility.

The EU financial regulation contains all the principles and rules for the implementation of the EU budget and is applicable to all areas of EU expenditure and all revenue.

¹ OJ L 325, 11.12.2009.

GENERAL AFFAIRS

EU solidarity fund *

The Council adopted a regulation aimed at making the EU solidarity fund more responsive and simpler to use, following the first-reading agreement reached with the European Parliament in March ([PE-CONS 71/14](#) + [8820/14](#)).

The purpose of the EU solidarity fund is to provide financial assistance in the event of natural disasters and express European solidarity to disaster-stricken regions within Europe. The new regulation confirms this principle, but enables the EU solidarity fund to react more rapidly than under the current rules.

For details, see [9321/14](#).

STATISTICS

Trade in goods

The Council amended regulation 638/2004 on statistics relating to trading of goods between EU countries with a view to conferring powers on the Commission for the adoption of certain measures, as well as the improvement of the communication of information by customs administrations, the exchange of confidential data and the definition of statistical value ([PE-CONS 64/14](#)).

Classification of territorial units for statistics

The Council decided not to oppose the adoption of a Commission regulation amending the annexes to regulation 1059/2003 on the establishment of a common classification of territorial units for statistics.

The Commission regulation is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

RESEARCH AND INNOVATION

Innovation investment package: private and public partnerships

The Council adopted the legal acts for a new generation of public and private partnerships that will allow large-scale, long-term innovation projects to be carried out under the umbrella of Horizon 2020, the EU's research and innovation framework programme.

The innovation investment package, which implements the Innovation Union strategy to stimulate the creation of growth and jobs, will contribute to pool research and innovation investments up to €22 billion in sectors facing major societal challenges in the next seven years.

The package is made up of five public-private partnerships that will be set up or further developed as Joint Technology Initiatives and four public-public partnerships that will be further developed on research programmes jointly undertaken by member states with the participation of the Union.

For more information see press release [9530/14](#)

EMPLOYMENT

Employment guidelines

The Council adopted a decision approving the guidelines for the employment policies of the member states for 2014 ([7777/14](#)).

The employment guidelines were adopted in 2010¹ in principle for a duration of four years. The guidelines for 2014 will be maintained unchanged and must be taken into account by the member states in their employment policies.

¹ Council decision 2010/707/UE of 21 October 2010 on guidelines for the employment policies of the member states (OJ L 308, 24.11.2010, p. 46).

AGRICULTURE

Electronic identification of bovine animals

The Council adopted an amendment to regulation 1760/2000¹ as regards electronic identification of bovine animals and deleting the provisions on voluntary beef labelling after a first-reading agreement with the European Parliament ([*PE-CONS 26/14*](#)).

Regulation 1760/2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products provides that each member state is to establish a system for the identification and registration of bovine animals. EU rules on the identification and traceability of bovine animals have existed since 1997 but were strengthened in the light of the Bovine Spongiform Encephalopathy (BSE) crisis to re-establish consumer confidence in beef and beef products through transparency and full traceability of bovine animals and beef products and also to localise and trace animals for veterinary purposes.

Bovine electronic identification (EID) now provides for a faster and more accurate reading of individual animal codes directly into data processing systems and could help to reduce the administrative burden and paper-work. This amended regulation leaves open the introduction of EID on a voluntary basis in a Member State. Under the voluntary regime, bovine animals could be identified by two conventional ear tags (current system), or by one conventional visible ear tag and one electronic identifier (i.e. an electronic ear tag or a bolus) conforming to EU-harmonised standards that have been officially approved. However, the amendment also provides the option for member states to opt for a mandatory regime in their national territory.

Furthermore, this amendment aligns regulation 1760/2000 by bringing its provisions into line with the legal obligation to differentiate between the Commission's delegated and implementing powers, introduced by articles 290 and 291 of the TFEU.

Finally, the Council also adopted an amendment to directive 64/432² as regards computer databases which are part of the surveillance networks in the member states after a first-reading agreement with the European Parliament. This amendment was made necessary by the amendment to regulation 1760/2000 mentioned above because the elements of the computer databases laid down in directive 64/432 did not include any reference to electronic means of identification ([*PE-CONS 25/14*](#)).

¹ OJ L 204, 11.8.2000, p. 1.

² OJ 121, 29.7.1964, p. 1977/64

FISHERIES

Financing of the fisheries reform

The Council adopted a regulation on the European maritime and fisheries fund (EMFF) replacing the existing European fisheries fund (PE-CONS 20/14) following a first-reading agreement with the European Parliament. The Romanian delegation abstained.

The regulation on the EMFF is the last of the three texts of the Common Fisheries Policy (CFP) reform "package" which also consists of a new basic regulation for the CFP and a new markets regulation. The two last regulations were adopted by the Council in October (regulation 1380/2013¹ and regulation 1379/2013²) after a first-reading agreement with the European Parliament. The EMFF is the last of the European Structural Funds adopted for the financing period 2014 to 2020³.

The general objective of the EMFF is to support the implementation of the reformed CFP and to further develop the EU's integrated maritime policy (IMP) by financing some of the priorities identified.

For further information see press release (document [9493/14](#)).

ENVIRONMENT

Shipments of waste *

The Council adopted a regulation amending regulation 1013/2006 on shipments of waste, which lays down requirements for shipments of waste within the EU and between the EU and third countries in order to protect human health and the environment ([PE-CONS 69/14](#), [8793/14 ADD 1](#)).

The new regulation contains strengthened measures to ensure more uniform implementation of the waste shipment regulation throughout the EU.

For more details see press release [9400/14](#).

¹ [OJ L354, 28.12.2013, p. 22](#)

² [OJ L354, 28.12.2013, p. 1](#)

³ In addition to the EMFF, the other European Structural Funds are: the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD).

Biocidal products

The Council decided not to object to a Commission delegated regulation supplementing regulation 528/2012 as regards the rules for the renewal of authorisations of biocidal products subject to mutual recognition ([7595/14](#)).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the European Union. Now that the Council has given its consent, the act can enter into force unless the European Parliament objects.

Greenhouse gas inventory system

The Council decided not to object to a Commission delegated regulation establishing substantive requirements for an EU inventory system and taking into account changes in the global warming potentials and internationally agreed inventory guidelines pursuant to regulation 525/2013 ([7723/14](#)).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the European Union. Now that the Council has given its consent, the act can enter into force unless the European Parliament objects.

Hazardous substances in electrical and electronic equipment

The Council decided not to object to Commission delegated directives amending, for the purposes of adapting to technical progress, the following annexes to directive 2011/65/EU:

- Annex IV as regards an exemption for lead in dielectric ceramic in capacitors for a rated voltage of less than 125 V AC or 250 V DC for industrial monitoring and control instruments ([7903/14](#), [7903/14 ADD 1](#));
- Annex IV as regards an exemption for lead in micro-channel plates ([7904/14](#), [7904/14 ADD 1](#));
- Annex IV as regards an exemption for lead in platinized platinum electrodes used for conductivity measurements ([7864/14](#), [7864/14 ADD 1](#));

- Annex IV as regards an exemption for lead in solder in one interface of large area stacked die elements ([7905/14](#), [7905/14 ADD 1](#));
- Annex III as regards an exemption for lead in solders and termination finishes of electrical and electronic components and finishes of printed circuit boards used in ignition modules and other electrical and electronic engine control systems ([7875/14](#), [7875/14 ADD 1](#));
- Annex IV as regards an exemption for lead used in other than C-press compliant pin connector systems for industrial monitoring and control instruments ([7894/14](#), [7894/14 ADD 1](#));
- Annex IV as regards an exemption for mercury in cold cathode fluorescent lamps for back-lighting liquid crystal displays, not exceeding 5 mg per lamp, used in industrial monitoring and control instruments placed on the market before 22 July 2017 ([7888/14](#), [7888/14 ADD 1](#)) and
- Annex III as regards an exemption for mercury in hand crafted luminous discharge tubes used for signs, decorative or architectural and specialist lighting and light-artwork ([7906/14](#), [7906/14 ADD 1](#)).

These directives are delegated acts pursuant to article 290 of the Treaty on the Functioning of the European Union. Now that the Council has given its consent, they can enter into force unless the European Parliament objects.

Minimum frequency of analysis

The Council decided not to oppose adoption by the Commission of a regulation replacing annex VII to regulation 601/2012 as regards minimum frequency of analysis.

Annex VII determines the minimum frequency of analyses for relevant fuels and materials to be applied by operators for the determination of calculation factors ([7806/14](#), [7806/14 ADD 1](#)).

The draft regulation is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt the regulation unless the European Parliament objects.

FOOD LAW

Health claims - food additives

The Council decided not to oppose adoption by the Commission of the following regulations:

- regulation amending regulations 983/2009 and 384/2010 as regards the conditions of use of certain health claims related to the lowering effect of plant sterols and plant stanols on blood LDL-cholesterol ([7579/14](#));
- regulation amending annex II to regulation 1333/2008, authorising certain food additives for the use in meat preparations ([7748/14](#));
- regulation amending annex II to regulation 1333/2008, authorising the use of polyvinyl alcohol-polyethylene glycol-graft-co-polymer for use in aqueous instant-release film coatings for food supplements ([8753/14](#)).

The draft regulations 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.

TRANSPORT

Driving licences containing a microchip

The Council decided not to oppose adoption by the Commission of a regulation amending regulation 383/2012 laying down technical requirements with regard to driving licences which include a storage medium (microchip) ([6986/14](#) + [ADD 1](#)).

The amendment relates to the accession of Croatia to the European Union.

The draft regulation is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Certification of train drivers

The Council decided not to oppose adoption by the Commission of a directive amending directive 2007/59/EC on the certification of train drivers operating locomotives and trains on the railway system in the Community ([6976/14](#) + [ADD 1](#)).

The amendments concern general professional knowledge and medical and licence requirements.

The draft directive is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Tachographs - adaptation to technical progress

The Council decided not to oppose adoption by the Commission of a regulation adapting to technical progress Council regulation 3821/85 on recording equipment in road transport ([7827/14](#)).

The draft regulation is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Driving licences

The Council decided not to oppose adoption by the Commission of a directive amending directive 2006/126/EC on driving licences ([7258/14](#) + [ADD 1](#)).

The amendments concern in particular safe driving in tunnels and the inclusion of the obstructive sleep apnoea syndrome in the EU driving licence legislation.

The draft directive is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Methods of calculating accident costs

The Council decided not to oppose adoption by the Commission of a directive amending a 2004 directive on railway safety as regards common safety indicators and common methods of calculating accident costs ([7261/14](#) + [ADD 1](#)).

The draft directive is subject to the regulatory procedure with scrutiny. Now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Marine equipment

The Council decided not to oppose adoption by the Commission of a directive updating technical aspects of a 1996 directive on marine equipment ([7758/14](#) + [ADD 1](#)).

The update incorporates amendments to international conventions and testing standards and adapts the lists of equipment contained in the directive's annexes to take account of new standards adopted by the International Maritime Organisation and European standardisation organisations.

The draft directive is subject to the regulatory procedure with scrutiny; now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

International carriage by rail

The Council adopted a decision establishing the position to be taken by the EU at the 53rd session of the Committee of experts on the transport of dangerous goods in the framework of the Convention concerning international carriage by rail (COTIF), which is due to take place on 22 May ([8731/14](#)).

The position relates to certain amendments to appendix C to the COTIF applicable from 1 January 2015.

APPOINTMENTS

European Economic and Social Committee

The Council appointed Mr Dominique MICHEL (Belgium) as a member of the Economic and Social Committee for the remainder of the current term of office, which runs until 20 September 2015 ([9229/14](#)).

TRANSPARENCY**Public access to documents**

The Council approved reply to confirmatory application No 10/c/01/14 (doc. [8201/14](#)).

DECISIONS TAKEN BY WRITTEN PROCEDURE**Portugal - economic adjustment programme**

The Council adopted a decision modifying the conditions underpinning financial assistance to Portugal under the European Financial Stabilisation Mechanism, with a view to disbursement of the next instalment ([8047/14](#)+ [8048/14](#)).

The decision modifies decision 2011/344/EU as regards the economic policy conditions, taking into account a revised economic outlook, so as to ensure a smooth implementation of Portugal's economic adjustment programme.

This follows a twelfth and final review by the Commission and the IMF, in liaison with the European Central Bank, of progress by Portugal on implementing the programme.

Portugal's economic adjustment programme concludes on 17 May.

Fishing opportunities in Norwegian and Faroese waters

On 22 April 2014, the Council adopted by written procedure an amendment to regulation 43/2014¹ as regards certain fishing opportunities ([8561/14](#)).

Regulation 43/2014 fixed for 2014 fishing opportunities for certain fish stocks and groups of fish stocks in EU waters and in certain non-EU waters. Pending the conclusion of consultations with Norway and the Faroe Islands on the conditions of access to resources in each other's waters, regulation 43/2014 fixed provisional fishing opportunities for the stocks concerned. These consultations were concluded on 12 March 2014 allowing fishing opportunities to be established for the pending stocks.

¹ OJ L 24, 28.01.2014, p. 1

Furthermore, on 28 March, consultations were concluded between the Coastal States regarding blue whiting and between the EU, Iceland, Norway and the Russian Federation regarding Atlanto-Scandian herring. This enabled Norway and the EU to discuss reciprocal arrangements on access to resources in each other's waters.

Regulation 43/2014 has been amended to take into account the results of these consultations.
