



**COUNCIL OF
THE EUROPEAN UNION**

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"I/A" ITEM NOTE

from : Presidency

to : Permanent Representatives Committee/Council

Subject : Report on proceedings in the Council's other configurations

Delegations will find below a list of the most important decisions taken and issues currently under discussion in the Council's other configurations. This document should enable delegations to draw the Presidency's attention to any point which they believe has implications for the proper organisation of proceedings in the areas covered.

TRANSPORT, TELECOMMUNICATIONS AND ENERGY

At its meeting on 12 and 13 June 2008, the Council discussed i.a.:

Telecommunications

Review of the EU regulatory framework for electronic communications

On the basis of progress reports from the Presidency, the Council held a debate on the three amending legislative proposals which make up the reform package on electronic communications. The first of these proposals (the "Better regulation Directive") aims to amend the regulatory framework for electronic communications by improving effectiveness, reducing administrative burdens and making access to radio frequencies simpler and more efficient. The "Citizens' rights Directive" aims in particular at ensuring a high level of protection of personal data and privacy, ensuring the integrity and security of public communications networks and at bringing the existing provisions into line with technology and market developments. The objective of the third proposal is the establishment of a European electronic communications market authority.

European Network and Information Security Agency (ENISA)

Pending the European Parliament's first reading opinion, the Council agreed on a general approach concerning the proposal for a Regulation amending Regulation (EC) No 460/2004 establishing the European Network and Information Security Agency as regards its duration. The Council agreed to extend ENISA's mandate, which expires in March 2009, for three years. It is recalled that the ENISA was set up in 2004 in order to enhance the capability of the EU, its Member States and the business community to prevent, address and respond to network and information security problems.

Transport

Road transport

The Council reached, by qualified majority, political agreements on three proposed Regulations which aim to modernise, replace and merge provisions governing road transport operators and access to the road transport markets. The Austrian delegation indicated that it would vote against and the Czech, Italian and Portuguese delegations that they would abstain. The main aim of the proposed Regulation on common rules for access to the international road haulage market is to eliminate legal uncertainty for Community hauliers and adapt legislation to market needs. The proposed Regulation establishing common rules concerning the conditions to be complied with to pursue the occupation of road transport operator aims to rectify certain shortcomings identified by the Commission. The proposal for a Regulation on common rules for access to the market for coach and bus services aims at revising and consolidating the current legislative framework, by clarifying the scope, simplifying procedures and establishing a standardised format for the Community licence and certified copies.

Roadworthiness tests for motor vehicles

Pending the European Parliament's first reading opinion, the Council reached a general approach on the proposed Directive on roadworthiness tests for motor vehicles and their trailers. The aim of this recast is to codify and to insert the new comitology procedure into the existing Directive, which harmonises the rules on roadworthiness tests.

Promotion of clean and energy efficient road transport vehicles

Pending the European Parliament's first reading opinion, the Council agreed on a general approach on the revised proposal for a Directive on the promotion of clean and energy efficient road transport vehicles. The proposed Directive aims to promote the market for clean and energy efficient vehicles and improve the transport sector's contribution to fulfilling the EU's environment, climate and energy policies by requiring authorities and public passenger transport operators to take energy consumption, CO₂ emissions and other pollutant emissions into account when purchasing a vehicle.

Transport Treaty for the Western Balkans

The Council adopted a Decision authorising the Commission to open negotiations on a Treaty establishing a Transport Community with the Western Balkans. The envisaged Treaty, which is part of the strategy for enhancing the European prospects of the countries in the Western Balkans, aims to promote cooperation in the field of transport between the states within the region and the eventual integration of their transport systems with those of the EU.

Air transport agreements with Australia and New Zealand

The Council adopted two decisions authorising the Commission to open negotiations with Australia and New Zealand on comprehensive air transport agreements. The envisaged agreements aim at a reciprocal opening of market access within a framework that ensures fair competition and high standards of safety, security and environmental protection.

AGRICULTURE AND FISHERIES

At its **meeting on 23 and 24 June 2008**, the Council discussed i.a.:

Agriculture

Health check

Following the submission of the Commission proposals on 23 May 2008, the Council had a first policy debate on the proposed legislative package for the "health check" of the Common Agricultural Policy. The Health Check package comprises four proposals to amend inter alia the direct payments, the single CMO and the rural development Regulations as well as the strategic guidelines for rural development. The debate focused on the proposal for further decoupling and on specific support measures.

Fisheries

Illegal, unreported and unregulated fishing (IUU)

The Council unanimously reached political agreement on a Regulation establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing. The overall aim of the Regulation is to contribute to ensuring the sustainability of fish stocks and protecting Community fishermen exposed to unfair competition from illegal products as well as to meet the consumers' demand for sustainable and fair fishery products. The agreed text provides in particular for introducing a EU "blacklist" of non-complying vessels, the establishment of a certification scheme and the approximation of the levels of sanctions for serious infringements. The Regulation will enter into application as from 1 January 2010.

Authorisations for fishing activities

The Council unanimously reached political agreement on a draft Regulation concerning authorisations for fishing activities. The Regulation aims at aligning procedures and international obligations for authorising fishing activities of all Community vessels outside Community waters whether within the framework of bilateral agreements or outside the scope of such agreements. Furthermore the rules for access of vessels flying the flag of a third country to Community waters are redefined.

Protection of vulnerable marine ecosystems

The Council reached unanimous political agreement on a proposal for a Regulation introducing measures to protect vulnerable marine ecosystems in the high seas from the adverse impacts of bottom fishing gears. These measures consist in particular in introducing a special fishing permit, relevant monitoring measures and in setting a depth limit for the use of bottom gears.

ECONOMIC AND FINANCIAL AFFAIRS

At its **meeting on 8 July 2008**, the Council discussed i.a.:

Adoption of the euro by Slovakia

The Council adopted a Decision on the adoption by Slovakia of the euro as its currency from 1 January 2009. It furthermore adopted a Regulation setting the permanent conversion rate for the Slovak koruna to the euro and a Regulation adjusting certain technical provisions on the euro.

Stability and Growth Pact - implementation

The Council adopted opinions on the annual updates by Belgium of its stability programme and by Poland of its convergence programme. Moreover the Council adopted a decision repealing the decision it had taken in July 2004 under Article 104 (6) concerning the existence of an excessive government deficit in Poland. It also adopted a decision on the existence of an excessive government deficit in the United Kingdom and a recommendation on action to be taken for its correction.

Rising oil prices

The Council was informed of the Presidency's intentions concerning the Council's role in implementing the conclusions of the June European Council concerning trends in the petroleum markets. The Presidency put forward a note describing the way it proposed to organise the work of the Council (ECOFIN) over the next six months. The Council's other configurations will also contribute to this work. The Council held an exchange of views, and in particular reached a political agreement on publishing information on oil stocks on a weekly basis.

International Accounting Standards

The Council examined the latest developments concerning the ongoing reform in the International Accounting Standards Board (IASB) and adopted conclusions recognising the efforts made by the IASCF (International Accounting Standards Committee Foundation) Trustees to enhance the IASCF's governance since the completion of the last constitutional review and to strengthen the ability of the IASB to better take into account the public interest. It considered that the ongoing review of the IASCF constitution offers an important opportunity to introduce changes to further enhance the legitimacy and acceptability of international accounting standards developed by the IASB.

Financial Markets

The Council reviewed recent market developments and progress made in the implementation of the road map on the financial market turmoil. In this context, it recalled that prompt and full disclosure by banks and other financial institutions of their exposures to distressed assets and off-balance sheet vehicles and of their write-downs and losses is essential to bring back confidence in the markets. It considered that it is of high importance to address the concerns related to the transparency of the rating processes, the risk of conflicts of interest related to remuneration models of the rating agencies, accountability and the quality of ratings. The Council took note of the additional steps undertaken by the rating agencies to better address the governance concerns and improve transparency concerning the value and limitations of ratings.

