



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from : General Secretariat of the Council
to : Delegations

Subject : Summary record of the meeting of the **Special Committee on the Financial, Economic and Social Crisis (CRIS)**, held in Brussels on 13 July 2010

The meeting was chaired by Mr Klinz (EPP, DE)

1. Chair's announcements

Due to the significant number of amendments (1625), Mr Klinz informed the Committee that an agreement had been reached between the draftswoman (Ms Berès), the 'shadow rapporteurs' and the coordinators to have the report redrafted by the end of the month to include compromise proposals on the basis of the suggested amendments. Mr Klinz explained that the new version should be delivered to the 'shadow rapporteurs' by late August and that a special meeting should take place soon after to discuss the new version. He mentioned that the Committee vote on this intermediate report had been scheduled for 29 September 2010 and that the vote on the final report in the committee and in the plenary should take place before summer 2011 as the mandate of the CRIS Committee had been extended until July 2011. Mr Klinz stressed the importance of having the intermediate report approved after the summer in order to coincide with Mr Van Rompuy's Task Force report on economic governance expected in September.

2. Financial, economic and social crisis: Recommendations concerning the measures and initiatives to be taken (mid-term report)

CRIS/7/01438

In her initial remarks, Ms Berès (S&D, FR) pointed out three categories of amendments concerning small and medium- sized enterprises, supervision and cohesion where there were unresolved differences within the political groups. She explained that she would favour those amendments reflecting the political group's position instead of the individual ones.

She identified some areas of controversy in which compromises were needed such as paragraph 20, on the historical context of the current crisis, paragraph 120 on the strategic importance of the energy sector for the European Union, on the future implications of the supervision model, paragraph 154 on economic and monetary union and the proposal to copy the 'modus operandi' in the field of foreign policy, paragraph 158 on the annual publishing of multi -annual plans, and on paragraph 162 on the mutual issue of a proportion of Member States' sovereign debt managed by a European monetary fund of sovereign debt.

She expressed her disagreement with the proposed idea of the introduction of sanctions.

Nevertheless, she pointed out that if a system of penalties was to be adopted it should be done according to the International Monetary Fund model that would oblige countries to increase certain taxes in order to consolidate public funds. Finally, she stressed the importance of addressing the inherent social issues in the report.

For the political groups, the following speakers took the floor:

- Mr Kariņš (EPP, LV) welcomed Ms Berès' suggestion to come up with a common compromise report that could gain a majority vote within the Parliament.
- Mr Schmidt (ALDE, SE) wished his group had presented a more coordinated approach to the report and promised to do so in the future. He suggested that the Committee should concentrate more on the consensual parts of the report such as economic governance and he believed that work in the CRIS Committee was well advanced when compared with Mr Van Rompuy's Task Force.
- Mr Kalfin (S&D, BG) expressed caution with regard to reaching a consensus on the report. Nevertheless, he thought it important to try to obtain a text broadly acceptable to all political groups in the Parliament either by agreeing on the lowest common denominator or by producing an ambitious document presenting a modern vision for a post-crisis Europe.

- Mr Eickhout (Greens/EFA, NL) judged it more important to focus on the future and in particular the EU 2020 strategy, public and private debt, the inherent social aspects and stricter regulation of the banking system in order to produce a robust and consensual compromise document. Finally, he warned against creating an overlap with the Economic and Monetary Affairs' (ECON) Committee work on economic governance.
- Mr Zile (ECR, LV) conveyed the message that his group would also strive to reach a compromise. He underlined the necessity of reaching an agreement on the wording regarding the historical analysis of the causes of the crisis. In his opinion, the report should strike a balance between the short and medium/long- term issues. He thought it necessary to give more emphasis to alternative sources of energy such as gas. He explained that while it was important to maintain a good standard of living , Europe could not neglect its competitiveness indicators.
- Mr Chountis (GUE/NGL, EL) was also in favour of a consensus and considered that the report was a serious though limited attempt to analyse the situation and reach valid conclusions over a multifaceted crisis because the ideological and economic causes of the crisis were not sufficiently dissected. Moreover, he deemed it important to focus more on the social aspect. In the future he hoped the Committee would study ways to confront new crises.

Regarding the interventions by individual Members, Mr Portas (GUE/NGL, PT) underlined that one should not ignore the ideology because it would determine the content and analysis of the report.

Ms Jaakonsaari (S&D, FI) considered that there was a lack of trust in Europe and defended a broad institutional consensus regarding the approach and the direction to follow within the European Union to regain the confidence of citizens. Mr Klinz noted that Europe was facing a moral and ethical crisis and that it could not allow the situation to remain unchanged.

Ms Berès acknowledged the necessity of working together with the ECON Committee on economic governance and reaffirmed her commitment towards open markets, underscoring the importance of good regulations and proper functioning. She promised to try to accommodate some of the amendments suggested by the ALDE group. In her opinion, it was important to focus on the causes of the crisis but there would be an attempt to find a common denominator. She agreed that the economic governance should not only be dealt with from a financial perspective and that indeed the social aspect should also be taken into consideration.

Mr Berès wrapped-up the meeting stating that the European Union needed to convey a strong long-term message to the world on how it would deal with the crisis.

3 Date of the next meeting

The date of the next meeting has not yet been confirmed . It should take place late August.
