



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 13 January 2009 (27.01)
(OR. fr)**

16675/08

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LIMITE

**PV/CONS 79
ECOFIN 589**

DRAFT MINUTES¹

Subject: **2911th** meeting of the Council of the European Union (**ECONOMIC and
FINANCIAL AFFAIRS**), held in Brussels on 2 December 2008

¹ Information which may be released to the public concerning the final adoption of Council acts is contained in Addendum 1 to these minutes.

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1. **Adoption of the agenda**
16318/08 OJ/CONS 69 ECOFIN 566

The Council adopted the above agenda.

2. **Approval of the list of "A" items**
16319/08 PTS A 61

The Council approved the "A" items listed in 16319/08.

The Belgian delegation asked for a statement concerning "A" item 9 (Coordination of direct taxation: exit tax) to be entered in these minutes. That statement is attached.

Information concerning item 11 is given in Addendum 1 to these minutes.

In addition, the document references for items 9, 14 and 16 should read as follows:

item 9: 16412/08 FISC 176
+ **COR 1 (nl)**

item 14: 16216/08 ECOFIN 554 EF 124 CODEC 1641
16217/08 ECOFIN 555 EF 125 CODEC 1642
+ **ADD 1**
(LA) should read (LA + S)

item 16: 16304/08 EF 133 ECOFIN 565 CODEC 1673
+ COR 1
+ **COR 2**
16214/08 EF 123 ECOFIN 552 CODEC 1639.

3. **Preparation for the European Council meeting (11 and 12 December 2008)**

16095/08 ECOFIN 540 UEM 204 EF 115 COMPET 513 SOC 724 ENER 419
AG 40
16097/08 ECOFIN 541 UEM 205 EF 116 COMPET 514 SOC 722 ENER 418
AG 39

(a) **Support for economic activity in Europe**

- Contribution from the ECOFIN Council to the European Council

The Council took note of the presentation by the Commission of its communication concerning a European economic recovery plan and approved the contribution to the European Council in 16095/1/08 REV 1.

(b) **Response to the financial crisis**

- Contribution from the ECOFIN Council to the European Council
16487/1/08 ECOFIN 582 DRS 76 REV 1

The Council's contribution to the European Council is contained in 16095/1/08 REV 1.

4. **Taxation**

(a) **Proposal for a Council Directive amending Directive 2006/112/EC as regards reduced rates of VAT**

- General approach
15971/08 FISC 161
+ REV 1 (lt)

After a brief exchange of views, the Presidency:

- noted the differing lines taken by delegations, and
- made the point that the issue of reduced rates for some locally supplied labour-intensive services, for which there was no risk of unfair competition within the internal market, was dealt with in the Commission communication to the European Council concerning economic recovery.

(b) Taxation of savings income

- Draft Council conclusions
16411/08 FISC 175

After a brief exchange of views, the Council adopted the conclusions in 16411/08.

The German delegation pointed to the importance of:

- extending the Directive's substantive scope to all types of investment income;
- extending the geographical scope of similar or equivalent measures to non-member countries and to dependent and associated territories.

(c) Code of conduct for business taxation

- Report to the Council/draft Council conclusions
16083/1/08 FISC 165 REV 1
16084/1/08 FISC 166 REV 1

After a brief exchange of views, the Council adopted the conclusions in 16083/1/08 REV 1.

DELETED

5. Presentation by the Court of Auditors of the annual report for 2007

The Council:

- took note of the presentation by the President of the Court of Auditors, Mr Caldeira, of the Court's annual report for 2007;
- noted that the Court had been able to see progress in some areas of budgetary management but that the Court's view as to the legality and regularity of the underlying transactions remained unfavourable for most expenditure;
- urged all involved to continue their efforts to improve checks and reduce errors in payment of Community funds;
- instructed the Permanent Representatives Committee to consider the annual report with a view to adoption of a Council recommendation at the Economic and Financial Affairs Council meeting in February 2009.

6. Other business

None.

STATEMENTS FOR THE COUNCIL MINUTES

Re item 9 in the list of "A" items:

DELETED

Re item 4(c) on the agenda:

DELETED

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