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THE EUROPEAN UNION**

Brussels, 3 February 2010

16972/09

LIMITE

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ECOFIN 860**

PUBLIC

DRAFT MINUTES

Subject : **2981st meeting of the Council of the European Union (ECONOMIC and
FINANCIAL AFFAIRS), held in Brussels on 2 December 2009**

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ANNEX 16

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1. **Adoption of the agenda**
16689/09 OJ/CONS 67 ECOFIN 843

The Council adopted the above-mentioned agenda.

LEGISLATIVE DELIBERATIONS

2. **Approval of the list of "A" items**
16863/09 PTS A 60

The Council adopted the list of "A" items as set out in 16863/09.

3. **Financial services**
 - **Regulations establishing a European Banking Authority, a European Insurance and Occupational Pensions Authority and a European Securities and Markets Authority**
 - = General approach
 - 16748/09 EF 183 ECOFIN 847 SURE 51 CODEC 1388
 - 16749/09 EF 184 ECOFIN 848 SURE 52 CODEC 1389
 - 16751/09 EF 185 ECOFIN 849 SURE 53 CODEC 1390
 - 16752/09 EF 186 ECOFIN 850 SURE 54 CODEC 1391

The Council reached a general approach on the three Regulation Proposals concerned, as set out in 16748/1/09 REV 1, 16749/1/09 REV 1 and 16751/1/09 REV 1.

The Council also agreed to insert the statement in its minutes as set out in the Annex.

4. **Taxation**

- (a) **VAT: Draft Directive on reverse charge on emission allowances and certain goods**
= General approach
16143/2/09 REV 2 FISC 162

The Council outcome of proceedings is set out in 17122/09 FISC 181.

- (b) **VAT treatment of postal services**
= Political guidelines
16474/2/09 REV 2 FISC 171

After a brief exchange of views the Council adopted the following conclusions:

- The Council notes that the third Postal Directive will enter into force on 1 January 2011 (1 January 2013 in some Member States).
- Bearing this in mind, the Council stresses the importance of taking all necessary measures to solve the political problems originating from the VAT treatment of postal services before the third Postal Directive will enter into force and the liberalisation of the postal market is a fact.
- Taking the previous into account, the Council invites the Spanish and Belgian Presidencies to explore and examine all options in order to make steps forward in this respect and to report the progress made at the Ecofin council in December 2010 at the latest.

NON-LEGISLATIVE ACTIVITIES

5. Approval of the list of "A" items 16844/09 PTS A 59

The Council adopted the list of A items as set out in 16844/09.

The Czech delegation requested that a statement be entered in these minutes concerning "A" item 1 (Draft Council conclusions on SEPA). This is set out in the Annex.

6. Implementation of the Stability and Growth Pact (*restricted session*)

(a) Adoption of acts in the excessive deficit procedure

= **Austria**
15721/09 ECOFIN 732 UEM 258
15730/09 ECOFIN 741 UEM 267
15744/09 ECOFIN 755 UEM 281
15753/09 ECOFIN 764 UEM 290

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15744/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15753/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Austrian authorities, the Recommendation will be made public.

= **Belgium**

15722/09 ECOFIN 733 UEM 259
15731/09 ECOFIN 742 UEM 268
+ REV 1 (nl)
15745/09 ECOFIN 756 UEM 282
15754/09 ECOFIN 765 UEM 291

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15745/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15754/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Belgian authorities, the Recommendation will be made public.

= **Czech Republic**

15723/09 ECOFIN 734 UEM 260
15732/09 ECOFIN 743 UEM 269
15746/09 ECOFIN 757 UEM 283
15755/09 ECOFIN 766 UEM 292

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15746/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15755/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Czech authorities, the Recommendation will be made public.

- = **Germany**
15724/09 ECOFIN 735 UEM 261
15733/09 ECOFIN 744 UEM 270
15747/09 ECOFIN 758 UEM 284
15756/09 ECOFIN 767 UEM 293

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15747/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15756/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the German authorities, the Recommendation will be made public.

- = **Italy**
15725/09 ECOFIN 736 UEM 262
+ REV 1 (en, it)
15734/09 ECOFIN 745 UEM 271
15748/09 ECOFIN 759 UEM 285
15757/09 ECOFIN 768 UEM 294

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15748/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15757/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Italian authorities, the Recommendation will be made public.

- = **Netherlands**
15726/09 ECOFIN 737 UEM 263
15735/09 ECOFIN 746 UEM 272
15749/09 ECOFIN 760 UEM 286
15758/09 ECOFIN 769 UEM 295

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15749/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15758/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Dutch authorities, the Recommendation will be made public.

- = **Portugal**
15727/09 ECOFIN 738 UEM 264
15736/09 ECOFIN 747 UEM 273
15750/09 ECOFIN 761 UEM 287
15759/09 ECOFIN 770 UEM 296

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15750/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15759/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Portuguese authorities, the Recommendation will be made public.

- = **Slovenia**
15728/09 ECOFIN 739 UEM 265
15737/09 ECOFIN 748 UEM 274
15751/09 ECOFIN 762 UEM 288
15760/09 ECOFIN 771 UEM 297

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15751/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15760/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Slovene authorities, the Recommendation will be made public.

- = **Slovakia**
15729/09 ECOFIN 740 UEM 266
15738/09 ECOFIN 749 UEM 275
15752/09 ECOFIN 763 UEM 289
15761/09 ECOFIN 772 UEM 298

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15752/09 in accordance with Article 126(6) of the Treaty on the Functioning of the European Union and the Recommendation set out in 15761/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Slovak authorities, the Recommendation will be made public.

- = **Ireland**
15740/09 ECOFIN 751 UEM 277
15763/09 ECOFIN 774 UEM 300

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Recommendation set out in 15763/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Irish authorities, the Recommendation will be made public.

- = **Spain**
15741/09 ECOFIN 752 UEM 278
15764/09 ECOFIN 775 UEM 301

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Recommendation set out in 15764/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the Spanish authorities, the Recommendation will be made public.

- = **France**
15739/09 ECOFIN 750 UEM 276
15762/09 ECOFIN 773 UEM 299

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Recommendation set out in 15762/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the French authorities, the Recommendation will be made public.

= **United Kingdom**
15742/09 ECOFIN 753 UEM 279
15765/09 ECOFIN 776 UEM 302

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Recommendation set out in 15765/09 in accordance with Article 126(7) of the Treaty on the Functioning of the European Union. With the agreement of the British authorities, the Recommendation will be made public.

= **Greece**
15743/09 ECOFIN 754 UEM 280
15766/09 ECOFIN 777 UEM 303

Having decided unanimously, on grounds of urgency, to consider legal texts that were not available in all the languages provided for in the Council's linguistic regime, the Council adopted the Decision set out in 15766/09 in accordance with Article 126(8) of the Treaty on the Functioning of the European Union.

(b) Adoption of Council opinion on the updated stability programme

= **Belgium**
9235/09 UEM 145
+ ADD 1
+ ADD 2
16106/09 UEM 307

The Council examined the updated stability programme submitted by Belgium and adopted the opinion on this programme set out in 17115/09 UEM 315. The Council decided to make this opinion public.

7. **Preparations for the 10-11 December European Council**

(a) **Financial supervision**

= Information on progress to the European Council

The Council was informed by the Presidency that the draft European Council conclusions will contain information on the state of play in financial supervision.

(b) **Contribution from ECOFIN to the discussion on the post-2010 Lisbon agenda**

= Council conclusions

16196/2/09 REV 2 ECOFIN 810 SOC 716 AG 55 COMPET 489 ENV 809

The Council adopted the Council conclusions as set out in 16196/2/09 REV 2.

(c) **Exit strategies**

= Council conclusions

16198/09 ECOFIN 811 UEM 308

The Council adopted the Council conclusions as set out in 16198/09 REV 1.

8. **Financial services**

– **Financial stability arrangements**

= Council conclusions

16434/09 EF 178 ECOFIN 829

The Council adopted conclusions on Financial stability arrangements, as set out in the document in reference.

9. Taxation

- **Anti-fraud agreements with third countries**
 - Draft anti-fraud agreement with Liechtenstein
 - = General approach
14409/09 AELE 32 FL 22 FISC 128 GAF 9 JAI 677 UD 223
+ COR 1 (et)
 - Negotiating mandate for anti-fraud agreements with other third countries
 - = Adoption
16308/09 FISC 167 AND 5 CH 46 MC 5 SM 8 **RESTREINT UE**

The Council agreed to take these items off the agenda and to return to them at one of its future meetings.

LEGISLATIVE DELIBERATIONS

10. Taxation

- (a) **Savings Tax Directive**
 - = Political agreement
16473/1/09 REV 1 FISC 170
+ ADD 1
- (b) **Recovery Directive**
 - = General approach
16466/1/09 REV 1 FISC 169 UD 254 AGRIFIN 108 SOC 730
- (c) **Administrative Cooperation Directive**
 - = General approach
16304/09 FISC 166
+ COR 1 (et)

The Council agreed to take these items off the agenda and to return to them at one of its future meetings.

11. Any Other Business

No items were raised under this heading.

STATEMENTS FOR THE COUNCIL MINUTES

Ad item 3 of the agenda: **Financial services**

- **Regulations establishing a European Banking Authority, a European Insurance and Occupational Pensions Authority and a European Securities and Markets Authority**

STATEMENT BY THE COUNCIL

"The Council notes the convenience of the European Council considering, in the framework of its powers under Article 15 TEU and in accordance with its internal rules of procedure, those situations where a Member State deems that, in spite of a decision being taken by the Council pursuant to Article 23(3), a previous decision adopted by any of the European Supervisory Authorities impinges on its fiscal responsibilities."

Ad "A" item 1 (Non-legislative activities):

Draft Council conclusions on SEPA

STATEMENT BY THE CZECH REPUBLIC

"Czech Republic is of the opinion, that:

- the idea of setting end-dates by regulatory measures does not correspond to the concept of SEPA as a voluntary market-driven project;
- in order to reveal its full potential in the future, SEPA products should be exposed to competition;

- the full benefits of SEPA do not have to be obtained through the complete migration of existing national euro payment transactions; other products should be free to remain if they are profitable for customers, banks and other payment services providers;
- if the current rate of migration to SEPA is not satisfactory, the reasons for this fact should be identified and possible improvements implemented;
- SEPA migration should not disturb competition, freedom to provide specific payment products that meet demands of users and motivation for future development of new products and solutions; even though not explicitly mentioned in the Council Conclusions on SEPA, we understand in the context of the Commission's assurance that these concerns will be accommodated."

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