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OUTCOME OF THE COUNCIL MEETING

3609th Council meeting

General Affairs

Brussels, 20 March 2018

President **Ekaterina Zaharieva**
Deputy Prime Minister of Bulgaria

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¹ • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
 • 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.

ITEMS DEBATED

March European Council

The Council finalised preparations for the March European Council by discussing draft conclusions.

The European Council will focus on:

- **jobs, growth and competitiveness:** EU leaders will adopt conclusions on the single market, the 2018 European Semester and social issues, notably the implementation of the European Pillar of Social Rights and the initiatives presented by the Commission under the Social Fairness package;
- **trade:** the European Council will address the state of play in trade issues;
- **external relations:** against the background of the Commission's Strategy on the Western Balkans, the European Council will adopt conclusions on the Western Balkans ahead of the May summit in Sofia; leaders are also expected to discuss recent developments in relations with Turkey, as well as the recent attack in the UK on Sergei and Yulia Skripal;
- **taxation:** under the Leaders' Agenda, EU leaders will hold a debate on taxation, in particular in the digital economy.

[European Council meeting on 22-23 March 2018](#)

European Council follow-up

The Council took note of the implementation of previous European Council conclusions.

European Semester

The Council examined a presidency report summarising the contributions of the Council configurations on the 2018 European Semester package. The European economy continues to strengthen as the transition from economic recovery to expansion continues. Nevertheless further action remains essential to help create jobs and achieve long-term sustainable growth.

The Council also agreed to forward a draft recommendation to the European Council inviting the euro area member states to pursue policies aimed at boosting economic growth in 2018-2019.

[European Semester \(background information\)](#)

[Draft Council recommendation on the economic policy of the euro area](#)

Any other business

– ***Rule of law***

The Commission informed the Council on the state of play of its dialogue with the Polish authorities on the rule of law.

On 20 December the Commission published a [reasoned proposal under Article 7\(1\)TEU](#) on the rule of law in Poland. In parallel it also highlighted its determination to pursue the dialogue with the Polish authorities and issued recommendations for action by 20 March. Should Poland take remedial action within this deadline, the Commission indicated that it would reconsider its reasoned proposal.

Ministers expressed the hope that the dialogue between the Commission and the Polish authorities will bring positive results on the issue.

OTHER ITEMS APPROVED

GENERAL AFFAIRS

European Parliament elections in 2019

The Council decided to consult the European Parliament on fixing 23-26 May as dates for the 2019 European Parliament elections.

After receiving the Parliament's opinion, the Council is expected to formally adopt its decision before the end of June.

[Press release](#)

Framework agreement between the Parliament and the Commission – Council statement

The Council adopted a [statement](#) on the agreement between the European Parliament and the Commission amending point 4 of the Framework Agreement on relations between the European Parliament and the European Commission.

The [agreement](#) was signed on 7 February 2018 and replaces point 4 of the Framework Agreement to allow members of the Commission to participate in campaigns in elections to the European Parliament.

On 28 February 2018 the Council Legal Service issued a legal opinion on this agreement, considering it contrary to the principle of institutional balance laid down by the Treaties.

Regulatory procedure with scrutiny - alignment to the Lisbon Treaty

The Council agreed its negotiating position (partial general approach) on two Commission proposals aimed at aligning the basic acts which refer to the regulatory procedure with scrutiny to the legal framework introduced by the Lisbon Treaty ([6933/18](#) + [6933/18 ADD 1–8](#) and [6932/18](#)).

A number of legislative acts in force contain references to this procedure, which continues to apply in those acts until they are formally amended and adapted to the Lisbon Treaty. The Commission submitted its proposals – the so-called general omnibus and justice omnibus regulations – in 2016 ([5623/17](#) + [ADD 1 REV 1](#) and [5705/17](#) + [ADD 1](#)).

The negotiating mandate of the Council has been preceded by an in-depth analysis of each empowerment proposed for alignment. In many cases, the Council supports replacing empowerments under the regulatory procedure with scrutiny with empowerments to adopt delegated acts under Article 290 TFEU, which give the European Parliament and the Council the power to control the Commission in the exercise of the delegated power. In other cases, the Council considers that the empowerments concerned are of an implementing nature, which are for the Member States to control since those have the necessary expertise, and may therefore only be replaced by implementing acts under Article 291 TFEU.

On the basis of this mandate, the Presidency will be able to start negotiations with the European Parliament.

For a few legislative acts contained in the Commission proposals, discussions on alignment will continue within the Council at a later stage as they are related to other Commission proposals which are forthcoming or under negotiation.

ECONOMIC AND FINANCIAL AFFAIRS

EU-US bilateral agreement on insurance and reinsurance

The Council adopted a decision concluding an agreement with the United States on insurance and reinsurance.

The agreement provides legal certainty for EU and US insurers and reinsurers in the application of regulatory frameworks. It will enable improved protection for policyholders and other consumers through cooperation between supervisors and the exchange of information.

The text was negotiated by the Commission on the basis of a mandate approved by the Council in April 2015. It includes provisions on reinsurance, group supervision and the exchange of information. A joint committee will oversee its implementation.

[Press release](#)

Oesterreichische Nationalbank

The Council adopted a decision approving Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. as external auditor of the Oesterreichische Nationalbank and Deloitte Audit Wirtschaftsprüfungs GmbH as alternate external auditor of the Oesterreichische Nationalbank, the national central bank of Austria, for the financial years 2018 to 2022 ([5901/18](#) + [5865/18](#)).

TRADE**Multilateral investment court**

On 20 March, the Council adopted the negotiating directives authorising the Commission to negotiate, on behalf of the EU, a convention establishing a multilateral court for the settlement of investment disputes. The Council also decided to make the negotiating directives public.

The overall objective for creating a multilateral investment court (MIC) is to set up a permanent body to settle investment disputes. This multilateral investment court would adjudicate disputes under future and existing investment treaties. For the EU, the MIC would eventually replace the bilateral investment court systems included in EU trade and investment agreements.

On the basis of the mandate provided by the Council, the Commission will start negotiations with its trading and investment partners in the framework of the United Nations Commission on International Trade Law (UNCITRAL).

[Press release](#)

JUSTICE AND HOME AFFAIRS**Schengen evaluation - Sweden**

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2017 evaluation of Sweden on the application of the Schengen acquis in the field of the Schengen Information System ([7342/18](#)).

AGRICULTURE**Risk assessment and risk management recommendations: methodological principles**

The Council decided not to oppose a Commission regulation establishing methodological principles for the risk assessment and risk management recommendations referred to in regulation 470/2009 ([6175/18](#) + [ADD 1](#)).

Regulation 470/2009 provides that any pharmacologically active substance intended for use in the EU in veterinary medicinal products which are to be administered to food-producing animals shall be subject to an opinion of the European Medicines Agency on the maximum residue limits (MRLs) of pharmacologically active substances used or intended to be used in veterinary medicinal products. The Agency's opinion should consist of a scientific risk assessment and risk management recommendations.

The new Commission regulation sets out measures establishing the methodological principles for the risk assessment and risk management recommendations regarding the establishment of the MRLs of pharmacologically active substances.
