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President

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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>).
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ITEMS DEBATED

Next multiannual financial framework

The Council held a policy debate on the multiannual financial framework (MFF) for 2021-2027. Ministers exchanged views on the main issues on the table and the timetable for the negotiations.

Their discussion took into account two documents prepared under the responsibility of the Austrian presidency - a [progress report](#) and a [draft negotiating box](#).

The negotiating box is a tool used for structuring and facilitating the negotiation process on the MFF. It brings together those elements which are most likely to require political guidance from the leaders with a view to the Council reaching its position. It is discussed and constantly updated as negotiations move forward.

The purpose of presenting the draft negotiating box to the Council was to identify and confirm the issues which will need to be addressed in the course of the negotiations on the MFF, and where appropriate to facilitate the discussion on options and solutions to specific issues.

December European Council

The Council finalised preparations for the [European Council meeting on 13-14 December](#) by discussing the draft conclusions.

At their meeting in December, the EU leaders will have their first substantial exchange of views on the multiannual financial framework for 2021-2027.

Following its conclusions of March 2018, and based on an assessment by the Commission of the remaining barriers and options for tackling these barriers, the European Council will review the state of play regarding a fully functioning single market.

The European Council will return to the implementation of its comprehensive approach to migration, in accordance with its conclusions of June 2018.

Leaders will discuss preparations for the upcoming summit with the League of Arab States on 24-25 February 2019. In the light of events, the European Council may address other specific foreign policy issues.

The European Council will revert to the issue of disinformation, on the basis of the action plan to be presented by the High Representative and the Commission, in cooperation with the member states and in line with its earlier conclusions.

Leaders will also address citizens' consultations, the fight against antisemitism, racism and xenophobia, and climate change.

Chancellor Sebastian Kurz, representing the Austrian presidency, will provide an overview of progress on the implementation of earlier European Council conclusions.

Rule of law in Poland

The Council held a hearing under Article 7(1) TEU on the rule of law in Poland. The modalities for the hearing were the same as at the meetings of the General Affairs Council on 26 June and 18 September 2018.

At the start of the hearing, the Commission gave ministers an update on the situation regarding the rule of law in Poland. Poland presented its position. Ministers were then given the opportunity to ask Poland questions on the topics raised in the [Commission's reasoned proposal](#).

The Council will continue the Article 7(1) TEU proceedings concerning Poland under the Romanian presidency.

Respect for EU values in Hungary

Ministers exchanged views on the procedure under Article 7(1) TEU on the respect for EU values in Hungary.

As part of this procedure, the Council has received from Hungary its written contribution on the issues raised in the [Parliament's reasoned proposal](#). The Commission has provided a factual contribution on pending infringement procedures against Hungary.

The Council will continue the Article 7(1) TEU proceedings concerning Hungary under the Romanian presidency.

Council programme for the next 18 months

The Council endorsed its [programme for the next 18 months](#), from 1 January 2019 to 30 June 2020. The programme was prepared by the incoming Romanian, Finnish and Croatian Presidencies and the High Representative, Chair of the Foreign Affairs Council.

At the beginning of 2019 the main priority will be the finalisation of the outstanding files from the current Strategic Agenda and in particular those listed in the Joint Declaration on the EU's legislative priorities for 2018-19. When the new institutional cycle starts, the three presidencies will organise work in the Council according to the priorities of the next Strategic Agenda, which is expected to be adopted in 2019, and taking into account the outcome of the Sibiu summit.

Annual growth survey for 2019

The Commission presented to the Council its [annual growth survey for 2019](#), in which it outlines the most pressing economic and social priorities on which the EU and its member states should focus their attention in the coming months.

The adoption of the annual growth survey kicks off the [European Semester](#) of economic and budgetary policy coordination.

The European Semester is a cycle of economic and fiscal policy coordination within the EU. It helps the member states to coordinate their economic, employment and fiscal policies better and to align them with the objectives and rules agreed at EU level.

OTHER ITEMS APPROVED**GENERAL AFFAIRS****EU Integrated Political Crisis Response arrangements**

The Council adopted an implementing decision on the EU integrated political crisis response (IPCR) arrangements. It codifies into a legal act the IPCR arrangements, originally approved by the Council in June 2013.

The IPCR was designed to support rapid and coordinated decision-making at EU political level for major and complex crises, whether they originate inside or outside the EU, including acts of terrorism. It is also the main tool identified in the Council Decision on the implementation of the solidarity clause (Article 222 TFEU), which entrusts the Council with the "coordination at political level of the response to the invocation of the solidarity clause, using the IPCR arrangements".

The solidarity clause provides for the EU and its member states to act jointly in assisting another member state which is the object of a terrorist attack or the victim of a natural or man-made disaster. In 2014, the EU adopted a decision laying down the rules and procedures for the operation of the solidarity clause.

[The EU integrated political crisis response \(IPCR\) arrangements in brief](#)

[Implementation of the solidarity clause](#) (press release 24/06/2014)

Extended internal market - Relations with non-EU Western European countries

The Council adopted [conclusions](#) on a homogeneous extended single market and EU relations with non-EU Western European countries.

The conclusions concern relations with the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway, the Principality of Andorra, the Principality of Monaco and the Republic of San Marino, aiming the full respect for the four freedoms of the internal market, as well as full respect for equal rights and obligations for both citizens and businesses.

Cooperation and Verification Mechanism - Conclusions

The Council adopted the following conclusions:

"Council conclusions on the Cooperation and Verification Mechanism

1. Reaffirming its previous conclusions, the Council welcomes the reports from the Commission on progress achieved in Bulgaria and Romania under the Cooperation and Verification Mechanism. The Council commends the Commission on its work, on the methodology followed, and overall shares the objective and balanced analysis of the progress made.
2. The Council reiterates its adherence to the values and principles of the EU, including the rule of law and the independence of the judiciary. In this context, the Council recalls the need for progress made under the Mechanism to be irreversible so that Bulgaria and Romania satisfactorily fulfil their respective benchmarks and meet the ultimate objectives. This would ensure the proper functioning of EU policies and institutions so that all citizens can benefit fully from the opportunities offered by membership of the Union. To that end, convincing track records, effective implementation, and broad, sustained and unequivocal political support for reforms continue to be of critical importance.
3. The Council welcomes the positive steps taken by Bulgaria in the reporting period and the determination and ambition shown by its government to pursue the reform process with a view to fulfilling all the benchmarks under the Mechanism. The Council takes note of the Commission's assessment that three out of the six benchmarks now can be considered provisionally closed and its expectation that, if the positive trend continues, the Mechanism will be concluded, and encourages Bulgaria to build upon the positive momentum and further its reform efforts, consolidating progress in a conclusive and irreversible manner.

4. The Council welcomes the positive report on the activities of the Supreme Judicial Council (SJC), and notes the importance of a continued establishment of a track-record of impartial and professional decision-making, notably on high-level judicial positions. The amendments to the criminal laws now in force have improved the legal framework, in line with the Commission's key recommendations. The Council notes that careful consideration and consultations of stakeholders will be important when deliberating further possible amendments, notably those with potential consequences for the overall system of criminal investigations and for the balance between key institutions. The integrity and independence of magistrates must be guaranteed, including through effective means for redress in all appropriate domains. Workload imbalances between courts should continue to be addressed.

The Council recalls the importance of continued reform of the judiciary to further strengthen professionalism, accountability and efficiency, in line with the recommendations of the Commission.

5. The Council welcomes the adoption of the comprehensive reform of Bulgaria's anti-corruption legislation, including the establishment of the new unified anti-corruption agency which now is fully operational. It will be important for the agency to demonstrate its independence and impartiality, and to effectively manage the broad remit of its responsibilities. Consolidating a solid track record on the fight against corruption, particularly at high-level, remains a key priority.

As regards combating organised crime, Bulgaria has made significant progress, and the Council encourages the further consolidation of the track record in this field, including on the effective seizure and confiscation of illicit assets.

6. Recalling the significant positive performance of Romania under the Mechanism in previous years, the Council stresses the absolute importance of safeguarding and further consolidating the progress already achieved. The Council notes that the Commission's report highlights a number of serious concerns and negative steps which have called into question the irreversibility and sustainability of reforms. In order to pave the way for a successful conclusion of the Mechanism for Romania in the near future, the negative steps and the concerns set out in the report need to be fully and decisively addressed, including through the adherence to the recommendations of the Council of Europe Venice Commission and GRECO, and the fulfilment of all the key recommendations set out by the Commission.

7. Romania needs to restore the positive momentum on reforms and take prompt action, notably on the additional key recommendations set out by the Commission related to the independence of the judiciary and judicial reform, to the fight against corruption at all levels, as well as on other integrity issues highlighted in the report. In this context, the Council reiterates the importance of an unequivocal, sustained and broad-based political commitment to meet the objectives set out by the Mechanism, notably including a political consensus to respect the independence of judiciary in line with the key recommendations set out by the Commission. In this context, the Council also emphasises the importance of the National Anti-Corruption Directorate (DNA).

8. The Council continues to expect Bulgaria and Romania to fully meet all their respective remaining key recommendations set out in the Commission reports, the fulfilment of which will lead to the provisional closing of individual benchmarks, except if developments in the respective countries clearly put in question or reverse the course of progress. Recalling that the speed of the process will solely depend on the respective progress made by Bulgaria and Romania, the Council notes that, provided all the respective benchmarks are fully met in an irreversible and sustainable way in the near future, the Mechanism should subsequently be concluded. In this context, the Council emphasises that all related key recommendations by the Commission should be fulfilled in order for benchmarks to be closed.

9. The Council reiterates that the Cooperation and Verification Mechanism continues to be instrumental for progress. It remains an appropriate tool to assist Bulgaria and Romania in their respective reform efforts, in order for each of them to achieve a record of concrete and lasting results required to fulfil the objectives of the Mechanism. The Council recalls its continued readiness to support efforts of Bulgaria and Romania in this regard through EU and bilateral assistance. Pending the satisfactory fulfilment of all respective benchmarks through a substantial and lasting reform process, which the Council expects in this framework, the Mechanism stays in place. Until then, the Council invites the Commission to continue its reporting and looks forward to its next reports on Bulgaria and Romania foreseen in the second half of 2019. The Council welcomes the Commission's intention to continue monitoring the situation in Bulgaria and Romania closely and to keep the Council regularly informed."

Interinstitutional Agreement on Better Law-Making - state of play

The Council took note of a presidency report regarding the state of play in the implementation of the Interinstitutional Agreement on Better Law-Making ([14846/18](#)).

European Court of Auditors' Special Report No 17/2018

The Council adopted conclusions on Special Report No [17/2018](#) by the European Court of Auditors entitled "Commission's and member states' actions in the last years of the 2007- 2013 programmes tackled low absorption but had insufficient focus on results" ([14461/18](#)).

The Court examined whether the Commission's and member states' actions were effective in absorbing funding from the ERDF, ESF and CF during the 2007-2013 programme period.

European Court of Auditors' Special Report No 21/2018 - ERDF and ESF projects

The Council adopted conclusions on Special Report No [17/2018](#) by the European Court of Auditors entitled "Selection and monitoring for ERDF and ESF projects in the 2014-2020 period are still mainly outputs-oriented" ([14933/18](#)).

The Court examined 34 projects funded under the European Regional Development Fund (ERDF) and the European Social Fund (ESF) in four member states in the programme period 2014-2020 and made recommendations for improving their orientation on overall results and objectives.

European grouping of territorial cooperation - update of the list of indicators

The Council decided not to raise objection to the Commission delegated regulation (EU) .../... of 16 October 2018 laying down the list of indicators for the report on the application of regulation (EC) No [1082/2006](#) of the European Parliament and of the Council on a European grouping of territorial cooperation (EGTC) ([14466/18](#) and [13361/18 +ADD 1](#)).

This amendment updates the list of indicators in order to improve, clarify and simplify the establishment and functioning of the European groupings of territorial cooperation ('EGTCs'), and to add value and scope for the simplification of the regulation.

The Commission decision is subject to the so-called regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the decision unless the European Parliament objects.

BUDGETS

EU budget for 2019

The Council adopted its position on the new draft budget for 2019 presented by the Commission on 30 November. The position takes into account the agreement reached with the European Parliament on 4 December.

This paves the way for the adoption of the 2019 EU budget by the European Parliament on 12 December.

The total commitments are set at €165.8 billion, which is an increase of 3.2% compared with 2018. Payments amount to €148.2 billion, 2.4% more than in 2018.

[Council endorses agreement on EU budget for 2019 \(press release, 11/12/2018\)](#)

Flexibility instrument- Mobilisation of the EU solidarity fund

The Council adopted a decision mobilising €1 164.3 million from the flexibility instrument to reinforce key programmes for the competitiveness of the EU and to finance immediate budgetary measures to address the ongoing challenges of migration, refugee inflows and security threats ([15206/18](#)).

The EU flexibility instrument provides funding in a given financial year for clearly identified expenses which could not be covered by one or more budget headings without exceeding their expenditure ceilings.

2019 EU budget - Mobilisation of the EU solidarity fund

The Council adopted a decision mobilising €50 million in commitments and payment appropriations from the EU solidarity fund to provide for the payment of advances in the general budget of the Union for 2019 ([15208/18](#)).

The EU solidarity fund can be mobilised in the case of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy of a member state. 'Major disaster' means that the estimated damage must either exceed €3 billion in 2011 prices, or 0.6% of the country's GNI, or 1.5% of the GNI of the region concerned.

The aim of this proposal is to allow the timely payment of advances in case of natural disasters in member states or in a country involved in accession negotiations with the European Union.

ECONOMIC AND FINANCIAL AFFAIRS

Derogations to the common system of VAT

The Council adopted implementing decisions authorising the following derogations to the common system of value added tax:

- a derogation authorising Latvia to apply the reverse charge mechanism to timber transactions ([14898/18](#), [14473/18](#));
- a derogation authorising Croatia to limit the right of VAT deduction in relation to certain passenger cars ([14899/18](#), [14474/18](#)).

JUSTICE AND HOME AFFAIRS

Budget recommitment

The Council adopted an amendment to the current asylum, migration and integration fund (AMIF) regulation to allow the recommitment of the remaining funds initially foreseen to support the implementation of the 2015 Council decisions on relocation.

Member states shall recommit or transfer at least 20% of those amounts to voluntary relocation, resettlement or humanitarian admission programmes, as well as for preparatory measures for these purposes. It should be possible for member states to use up to 80% of those amounts to address other challenges in the areas of asylum and migration according to the AMIF regulation.

According to initial rules, the funds committed to support relocation had to be used by the end of 2018. Without amending the AMIF regulation, the remaining amounts would no longer have been available for member states to use beyond that date.

Regulation amending regulation 516/2014 as regards the recommitment of the remaining amounts committed to support the implementation of Council decisions 2015/1523 and 2015/1601 or the allocation of those amounts to other actions under the national programmes ([PE-CONS 66/18](#)).

Statements to the minutes ([15151/18 ADD 1 REV 1](#))

AGRICULTURE

Pesticides: maximum residue levels for various substances

The Council decided not to oppose the adoption of three Commission regulations amending regulation 396/2005 as regards maximum residue levels for

- acetamiprid ([13688/18](#) + [ADD 1](#) + [ADD 2](#))
- bromuconazole, carboxin, fenbutatin oxide, fenpyrazamine and pyridaben ([13694/18](#) + [ADD 1](#) + [ADD 2](#))
- bromadiolone, etofenprox, paclobutrazol and penconazole ([13757/18](#) + [ADD 1](#) + [ADD 2](#))

in or on certain products.

Regulation 396/2005 establishes the maximum quantities of pesticide residues permitted in products of animal or vegetable origin intended for human or animal consumption. These maximum residue levels (MRLs) include, on the one hand, MRLs which are specific to particular foodstuffs intended for human or animal consumption and, on the other, a general limit which applies where no specific MRL has been set. MRL applications are communicated to the European Food Safety Authority (EFSA) which issues a scientific opinion on each intended new MRL. Based on EFSA's opinion, the Commission proposes a regulation such as those listed above to establish a new MRL or to amend or remove an existing MRL and modifying the annexes of regulation 396/2005 accordingly.

***Salmonella* testing and sampling in poultry**

The Council decided not to oppose the adoption of a regulation amending Commission regulations 200/2010, 517/2011, 200/2012 and 1190/2012 as regards certain methods for *Salmonella* testing and sampling in poultry ([13878/18](#) + [ADD 1](#)).

The amendments introduced by the new Commission regulation reflect the findings of the European Committee for Standardization and the International Organization for Standardization that recently revised a number of reference methods and a protocol to verify compliance with regulations 200/2010, 517/2011, 200/2012 and 1190/2012.

Microbiological criteria for foodstuffs

The Council decided not to oppose the adoption of a Commission regulation amending regulation 2073/2005 on microbiological criteria for foodstuffs as regards certain methods, the food safety criterion for *Listeria monocytogenes* in sprouted seeds and the process hygiene criterion and food safety criterion for unpasteurised fruit and vegetable juices ([13883/18](#) + [ADD 1](#)).

Commission regulation 2073/2005² lays down the microbiological criteria for certain micro-organisms and the implementing rules to be complied with by food business operators in respect of the general and specific hygiene requirements.

FISHERIES**Autonomous EU tariff quotas for imported fisheries products in 2019-2020**

The Council adopted a regulation opening and providing for the management of autonomous EU tariff quotas for certain fisheries products for the period 2019-2020.

For more information, see [press release](#).
