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og deres stedfortrædere

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Til underretning for Folketingets Europaudvalg vedlægges Finansministeriets redegørelse for rådsmøde (økonomi- og finansministre) den 3. december 2002.

Bendt Bendtsen



FINANSMINISTERIET

MODTAGET I UDENRIGSMINISTERIET/EU-SEKRETARIATET

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Referat af rådsmødet (ECOFIN) den 3. december 2002

Dagsordenspunkt 1: Strømlining

Rådet (ECOFIN) og Rådet (beskæftigelse, socialpolitik, sundhed og forbrugerpolitik) vedtog vedlagte fælles rapport om strømlining af samarbejdsprocesser.

Dagsordenspunkt 2: Strukturelle indikatorer

Rådet (ECOFIN) og Rådet (beskæftigelse, socialpolitik, sundhed og forbrugerpolitik) vedtog vedlagte rådskonklusioner om strukturelle indikatorer på områderne generel økonomisk baggrund, beskæftigelse, innovation og forskning, økonomiske reformer, social sammenhørighed og miljø.

Dagsordenspunkt 3: Finansielle spørgsmål

Finansielt tilsyn

Rådet endosserede fuldt ud EFC's endelige rapport om finansiel lovgivning, tilsyn og stabilitet og vedtog vedlagte rådskonklusioner herom.

Corporate Governance

Rådet modtog EFC's afrapportering om Corporate Governance som bidrag til Kommissionens videre arbejde hermed.

Handlingsplanen for finansielle tjenesteydelser

Rådet tog Kommissionens syvende fremskridtsrapport om gennemførelsen af den finansielle handlingsplan til efterretning.

Indikatorer for integration og efficiens

Rådet tog Kommissionens note om indikatorer for integration og efficiens, der opsummerer resultaterne af de foretagne studier på det finansielle område, til efterretning.

Direktiv om investeringservice

Rådet tog Kommissionens præsentation af forslag til direktiv om investeringservice til efterretning.

Dagsordenspunkt 4: Budget: Revisionsrettens årlige rapport

Rådet tog Revisionsrettens præsentation af Revisionsrettens årsberetning for regnskabsåret 2001 med tilhørende revisionserklæring til efterretning. Beretningen sendes herefter til Rådets Budgetudvalg og Coreper med henblik på udarbejdelse af henstilling fra Rådet til Europa-Parlamentet

om meddelelse af decharge til Kommissionen for gennemførelsen af budgettet.

Dagsordenspunkt 5: Skattespørgsmål

Skattepakken

Der var på grundlag af en redegørelse fra Kommissionen og vedlagte af det danske formandskab fremlagte non-paper en drøftelse af forhandlingssituationen med 3.-lande, herunder Schweiz, vedrørende rentebeskatning. Der blev indkaldt til ekstraordinært ECOFIN med henblik på yderligere drøftelse af rentebeskatningsdirektivet.

Rådet tog en mundtlig rapport fra formanden for adfærdskodeksgruppen til efterretning, men ville vende tilbage til dette spørgsmål såvel som direktivet om rente- og royaltybetalinger på det ekstraordinære ECOFIN.

Energibeskatning

Der var en drøftelse af udestående punkter i formandskabets konsoliderede forslag til direktiv om energibeskatning. Drøftelserne om de udestående områder vil fortsætte på det ekstraordinære ECOFIN.

Administrativt samarbejde om moms

Punktet blev udskudt til det ekstraordinære ECOFIN.

A-punkter

Rådet vedtog uden drøftelse direktivet om nedsat moms på arbejdskraftintensive tjenesteydelser og direktivet om insider-handel og kursmanipulation (markedsmisbrug), idet bl.a. Danmark afgav en erklæring til Rådets protokol. Endvidere tog Rådet uden drøftelse formandskabet fremskridtsrapport om beskatning af arbejdsmarkedsrelaterede pensioner til efterretning.

Rådets fælles rapport om strømlining

“The European Council in Barcelona requested the Council and the Commission to streamline policy co-ordination processes and to synchronise as soon as feasible the calendars for the adoption of the Broad Economic Policy Guidelines and of the annual Employment Package. The Council welcomes the Commission communication on streamlining and broadly endorses its suggestions. This joint report from the Council sets out the principles and main features for better streamlined policy co-ordination procedures. Where appropriate, this report takes account of other relevant processes.

The Council considers that streamlining should be guided by the objective to increase transparency and efficiency, avoid overlap and repetitions in the formulation of guidelines, ensure consistency, complementarity and coherence, and increase the focus on implementation of policy recommendations, and also to ensure an effective Council preparation of Spring European Council meetings.

Obviously, ensuring a high efficiency of the policy co-ordination processes is a permanent task. They should be kept under regular review so as to constantly increase their efficiency. For instance, the forthcoming enlargement will pose new challenges which need appropriate solutions. While recognising the importance of the different processes and initiatives, further streamlining will be necessary if a proliferation of processes is to be avoided.

In response to the Barcelona mandate, the Council recommends the following main changes to the current policy co-ordination framework:

1. **Focus on the medium-term.** The processes should focus on the medium and longer-term challenges. The strategies do not change every year. Therefore, the BEPGs and the Employment Guidelines and recommendations should be fully reviewed only every three years.

In the intermediate years, the updating of guidelines and recommendations should remain strictly limited. It should react to changes in the economic situation, and the focus should be on the main tasks in the coming 12 months for implementing the medium-term strategy.

2. **Focus on implementation.** The processes should focus on the outcomes to be achieved and on progress in implementation. In order to give more weight to implementation, the Council recommends that it be more closely involved in the annual monitoring of the implementation of guidelines.
3. **Clarification of the policy co-ordination cycle.** The Council considers that a clearly articulated annual policy-co-ordination cycle is important. The Spring European Council is the defining moment in that cycle. It reviews implementation and, on that basis, gives general political orientations on the main policy tasks in the year ahead. In or-

der to better prepare the Spring European Councils, the Council recommends that the Commission's Spring Report and relevant implementation reports be presented as early in January as possible each year, in order to prepare the Council's contributions in time for the Spring European Council. To this end, the Ecofin Council intends to adopt conclusions on the Commission report on the implementation of the BEPGs every year and to prepare a Key Issues Paper on the BEPGs for the Spring European Council. The Employment, Social Policy, Health and Consumer Affairs Council should make a contribution, including key policy messages on employment and labour market issues, on the basis of the Treaty to the Spring European Council. Similarly, the Competitiveness Council intends to adopt a document, including its reaction to the implementation report on the Internal Market Strategy. The proposed timing would make it possible to take on board the most recent information and lessons drawn from the review of implementation efforts, but requires a tight scheduling for the preparation by the Council of the Spring European Council. The Council agrees with the Commission proposal of a Guidelines Package (including the Commission drafts for general and country-specific policy recommendations as contained in the BEPGs, the Employment Guidelines and the employment recommendations to Member States) to be presented in April each year.

4. **Streamlining of the annual reporting on implementation.** The Council recommends that a determined effort must be undertaken to streamline Member States' reporting obligations. National implementation reports should be submitted as free-standing reports as a package every Autumn. Stability and convergence programmes must be kept separate because of their link to national budget cycles.
5. **The roles of the BEPGs, the Employment Strategy and the Cardiff process.** Streamlining, including synchronisation, should strengthen the consistency and complementarity of the processes by better defining their respective roles. Overlaps and duplications should, wherever possible, be avoided, in particular by increased co-ordination and complementarity, while preserving the distinctive roles of the processes.

The BEPGs have been instituted by the Treaty and provide the overarching economic policy co-ordination instrument. These guidelines are the competence of the Ecofin Council, taking into account contributions from other relevant Council formations. They are "broad" in the sense of giving the main orientations for the economic policies of Member States and the Community. The BEPGs will continue to address macroeconomic policies and should focus increasingly on the medium- and long-term implications of structural policies (in particular the functioning of markets, prices, incentives and major institutional barriers) and on reforms aimed at promoting economic growth potential, employment and social cohesion, sustainable development, and the transition towards a knowledge-based economy.

The Cardiff process monitors economic reform in Member States in order to improve the functioning of product (goods and services) and capital markets in the Community. The Cardiff process will continue to be surveyed by both the ECOFIN Council and the Competitiveness Council.

The Treaty provides for policy co-ordination on employment via the European Employment Strategy which has the leading role in giving direction to and ensuring co-ordination of the employment policy priorities to which Member States should subscribe. Under the Treaty the Employment Guidelines are required to be consistent with the BEPGs.

6. **Other related Processes.** Overlaps and duplications should be avoided, in particular by increased co-ordination and complementarity between the various processes, while preserving the distinctive roles of the processes. Further streamlining will be necessary to bring this about.

The Member States and the EU institutions concerned with these processes all have a responsibility to ensure complementarity and consistency. The Commission proposes to present the draft Broad Economic Policy Guidelines and the draft Employment Guidelines at the same time as part of the April Guidelines Package. The Commission is encouraged to take full advantage of this opportunity to ensure complementarity, consistency and the avoidance of unnecessary duplication from the outset.”

Rådskonklusioner vedrørende strukturelle indikatorer

“Structural Indicators for the 2003 Synthesis Report to be submitted to the Spring European Council

The Commission Communication of 16 October 2002 proposed revisions to the list of indicators to be used in the 2003 Synthesis Report, and outlined progress made over the past year in developing current and new indicators. The Council welcomed the Commission Communication and agreed with the majority of the proposed indicators.

The Council encouraged the Commission to make more intensive and systematic use of structural indicators. In illustrating progress in structural efforts, the indicators present a useful tool. However, the Commission should provide an in-depth explanation of the indicators, which form the core of the various evaluation processes within the Community.

The Council reiterated the need to ensure the best possible consistency between the indicators used in the annual Synthesis Report and those used in the relevant policy processes. In this context, there is an ongoing need for effective co-ordination between all relevant groups, while respecting their areas of responsibility, in order to ensure consistency and coherence between the indicators used.

With respect to Structural Indicators to be used in the 2003 Synthesis Report, following a joint position of the Employment Committee, the Social Protection Committee and the Economic Policy Committee, the Council recommended some changes and extensions to the Commission proposal. The set of indicators proposed by the Council is listed in annex 1.

The Council (ECOFIN) furthermore endorsed a short list of indicators drawn up by the Economic Policy Committee, cf. Annex 2.

Development of the indicators

The Council identifies the indicators listed in annex 3 as high priorities for development and refinement. It is the opinion of the Council that composite indicators should not form a priority in the Commission's development programme."

Annex 1

Structural indicators recommended by the Council to be used in the 2003 Synthesis Report

General economic background
<ol style="list-style-type: none"> 1. GDP per capita (in PPS) and real GDP growth rate 2. Labour productivity (per person and per hour worked) 3. Employment growth* 4. Inflation rate 5. Unit labour cost growth 6. Public balance 7. General government debt
Employment
<ol style="list-style-type: none"> 1. Employment rate* (incl. older workers rate) 2. Effective average exit age* 3. Gender pay gap in unadjusted form (name change from 'Gender pay gap') 4. Tax rate on low-wage earners 5. Life-long learning* 6. Accidents at work* 7. Unemployment rate*

Innovation and research
<ol style="list-style-type: none"> 1. Spending on human resources (public expenditure on education) 2. R&D expenditure (by source of finance) 3. Level of internet access (household and business) 4. Science and technology graduates* 5. Patents 6. Venture capital investments (name change from 'Venture capital') 7. ICT expenditure
Economic reform
<ol style="list-style-type: none"> 1. Relative price levels and price convergence 2. Prices in network industries 3. Market structure in the network industries 4. Public procurement 5. Sectoral and ad hoc state aid 6. Trade integration (incl. sectoral breakdown) 7. Business investment
Social cohesion
<ol style="list-style-type: none"> 1. Inequality of income distribution 2. At Risk-of-poverty before and after social transfers* (poverty threshold at 60 pct.; name change from 'Risk-of-poverty rate') 3. Persistent-risk-of-poverty rate* (poverty threshold at 60 pct.) 4. Dispersion of regional employment rates* 5. Early school-leavers not in further education or training* 6. Long-term unemployment* 7. Population living in jobless households

<i>Environment</i>
1. Greenhouse gases emissions (incl. targets)
2. Energy intensity of the economy
3. Volume of transport (tonne- and passenger-km) relative to GDP
4. Modal split of transport
5. Urban air quality
6. Municipal waste
7. Share of renewables in electricity consumption
8. Fish stocks in European marine waters
9. Protected areas for biodiversity
* Disaggregated by gender (also by total)

Annex 2

Short list of indicators

GDP per capita and real GDP growth rate

Employment rate

- *by gender*

- *of older workers*

R&D expenditure

ICT expenditures

Prices in network industries:

- *prices in telecommunications market*

- *prices in electricity market*

Business investment

Trade integration

At Risk-of-poverty before and after social transfers

Long-term unemployment rate

Dispersion of regional employment rates

Early school-leavers not in further education or training

Emissions of greenhouse gasses

Annex 3

Priorities for further work

- Analysis of the underlying factors of the gender pay gap
- More refined methods of representing income distribution than comparison of income fractiles, recognising the complexity of relative poverty issues.
- Real income growth over time for different groups and fractiles
- The inclusion of private investment in human resource expenditure
- Better performance or outcomes measures under 'Innovation and Research'.
- Market structure in network industries (in addition to progress already made in electricity)
- ICT expenditures
- Public procurement
- Efficiency of public administration
- Regulatory environment
- Cost of capital
- Social cohesion at the regional and local level
- Benefit-dependency ratio
- Childcare facilities
- Financial integration
- Employment growth measured in full time equivalents
- Sectoral and ad hoc state aid

- Taking account of efficiency gains in environment indicators (transport and modal split)
 - Company demography (business dynamics)
 - Accidents at work, work in developing comparable data on levels
 - Indicators for vacancies
 - Indicators for marginal – and average – tax rates
 - Greenhouse gases emissions (incl. targets) (also per capita)
 - Energy intensity of the economy (differentiate between renewables and non-renewable energy sources)
 - Municipal waste (differentiate between recycled and non-recycled waste)
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Rådskonklusioner vedrørende finansielt tilsyn

"1. The Ecofin Council discussed the results of the open consultation on the EFC report on financial regulation, supervision and stability on the basis of a written report by the Commission services on the public consultation, an oral report by the Presidency on its discussions with the European Parliament and a final report by the EFC

2. The Council notes the assessment of the Commission services that there was broad support for the EFC proposals among respondents to the public consultation and so adopted the report on financial regulation, supervision and stability. The Council recognises, however, the need to provide further details regarding formal arrangements for consulting the public, including market participants, in the new framework. Therefore, it invites the Commission services to make suggestions in this respect whilst implementing the recommendations.

3. In light of the results of the public consultation, the Council fully endorsed the EFC report. In particular, it reaffirmed its clear preference for implementing arrangements based upon the Lamfalussy framework to all financial sectors as proposed in the report, i.e. according to existing inter-institutional agreements, incorporating all accountability measures to the European Parliament and the Council already adopted for securities - including the sunset clause with a full and open review in 2004 - and recognising sectoral specificities. The Council agrees to continue discussions with the European Parliament.

4. The Council notes that the Presidency will invite the representatives of the governments Member States meeting within the General Affairs Council on 9-10 December 2002 to

- state that they will draw the attention of their heads of state and government to the importance of a revision of Article 202 of the treaty and invite them to consider this question in the preparation of the Intergovernmental conference and

- note that it is of great importance that the discussions in the Convention and the Intergovernmental Conference consider a legislative system allowing for a higher degree of efficiency in the legislative process, which respects the requirements of subsidiarity and the prerogatives of the institutions involved in the legislative process.

5. The Council notes that the issue of delegating the powers to adopt implementing measures to the Commission is left open pending further contacts with the European Parliament. The Council notes that the other aspects of the envisaged new structure can be implemented and invites the Commission to establish the level 2 committees in an advisory capacity only, and the level 3 committees as soon as possible.

Financial regulation

6. Sectoral specificities would be best recognised by three separate sectoral committees each at levels 2 and 3: for banking; insurance, including pensions; and securities, including UCITS. In addition, in line with the recently adopted EU Directive, a fourth committee at level 2 will be established to deal with certain specific rules concerning financial conglomerates operating across sectors. This committee should explore how best to organise the level 3 advice required from the EU's supervisors, and the precise arrangements should then be defined by the Commission.

7. Each level 2 committee should have one voting national representative per Member State and one technical expert nominated by the relevant Ministry. The level 2 committees might on occasion meet in joint session at a high level to consider difficult technical and cross-sectoral issues, and improve synergies and coherence of level 2 rules.

Financial supervision

8. The Council emphasises the importance of strengthened supervisory co-operation and better implementation and enforcement of regulation in the EU. Therefore, it invites the Commission as soon as possible to establish new level 3 committees for banking supervision and supervision of insurance and pensions providers. The new Financial Conglomerates Committee to be established by the financial conglomerates directive should explore how best to organise advice from the EU's supervisors concerning financial conglomerates, and the precise arrangements should then be defined by the Commission.

9. Similar to the Committee of European Securities Regulators (CESR) for the securities sector, these committees should promote consistent implementation of EU directives, supervisory convergence and best practices in Member States; provide an effective operational network to enhance day-to-day supervision, including exchange of supervisory information in normal times and at times of stress; and advise the Commission as appropriate on technical issues related to regulation.

10. Each level 3 committee should be independent. They should each establish appropriate procedures and meeting formats to ensure efficient exchange of confidential information, in line with the recommendations of the EFC report. Each Member State should have a single vote allocated to members from national supervisory authorities. The Commission should have observer status.

11. To exploit synergies between banking supervision and central banking, both national banking supervisory authorities and non-supervisory central banks, including the ECB, should attend meetings of the new banking committee, with the competent supervisory authorities holding the vote. Representatives from the Groupe de Contact and the ESCB's Banking Supervision Committee should have observer status in the new committee for banking.

Reconfigured FSPG

12. The Council is willing to take a decision as soon as possible on the establishment of a reconfigured FSPG (possibly re-named Financial Services Committee, or FSC) with a Member State chair as soon as possible. The role of the new Committee is to provide advice and oversight for the Council and Commission on the range of financial market issues set out in the EFC report. The Ministers meeting in the Council will each nominate one senior representative to the new committee. The reconfigured FSPG should fully respect existing institutional prerogatives. It should report to the EFC in order to prepare advice to the Ecofin Council, taking into account the established role of COREPER.

13. The EFC is the primary source of advice on issues related to economic and financial developments for the Ecofin Council, and should report to it on financial stability issues. The reconfigured FSPG should assist the EFC to prepare such items to be discussed in the Ecofin Council and at informal meetings of Ministers of Economy and Finance and Central Bank Governors. In addition, if appropriate, the EFC can request advice from the new committee on an ad hoc basis. The Council decision on the establishment of the new committee will determine that it shall define its own working methods and appoint its President. It shall take account of the need for transparency towards the European Parliament and the public, and, in particular, information about the Committee's activities should continue to be made publicly available as for the initial configuration of the FSPG.

14. The President of the new committee should be available for a regular exchange of views on strategic developments related to financial markets with the Committee on Economic and Monetary Affairs of the European Parliament. Moreover, the 2005 Group will continue to be the appropriate forum for an exchange of views at a high level between the Commission, the Council and the European Parliament on financial market policy developments."

Formandskabets non-paper om rentebeskatning

“PRESIDENCY NOTE ON THE TAX PACKAGE

In view of the Council's commitment to securing the final adoption of the tax package before the end of 2002, the following model for an agreement on the Tax Package could be considered:

1. The Council sticks to the Feira European Council conclusions that **the exchange of information, on as wide a basis as possible, is to be the ultimate objective of the European Union** in line with international developments.
2. The Council asks the Commission – in extension of its Council conclusions of 4 June 2002 – to continue negotiations, in close conjunction with the Presidency of the Council, on the adoption of equivalent measures by Switzerland and the other third countries, and to press for the exchange of information as the EU's ultimate objective.
3. The Council, on behalf of the Member States, commits itself to act for the objective of exchange of information on the global arena.
4. The Council agrees that the EU should enter into an **agreement with Switzerland** based on the following package (perceived - on the basis of the Swiss offer - to be acceptable to the Swiss):
 - *Retention tax* (Switzerland will apply the same rates of retention as Belgium, Luxembourg and Austria - 20% during the first 3 years of the transitional period and 35% from 2007 - until agreement is reached on automatic exchange of information)
 - *Revenue sharing* (Switzerland is prepared to share the revenue of the retention tax and can accept the 75/25 division applied within the Community and may even be prepared to reduce the percentage of 25 depending on the "overall balance of the agreement". However the revenue sharing provisions will only apply to the new retention tax and not the existing withholding tax.)
 - *Exchange of information in cases of tax fraud or the like* from 2004
 - *Voluntary disclosure of information*
 - *Review clause* (stating that cooperation is to be developed, notably with a view to exchange of information)
5. The Council adopts a **directive based on exchange of information as the ultimate objective**, entering into force on 1 January 2004 and containing provisions ensuring that:

- 12 Member States will implement automatic exchange of information from 2004
- Austria, Belgium and Luxembourg will operate a (transitional) withholding tax with revenue sharing and will
 - implement exchange of information *upon request as defined in the OECD agreement¹*, as soon as conditions permit, and in any case no later than 1 January 2011, 7 years after the entry into force of the directive.
 - implement *automatic* exchange of information, if and when the EU enters into an agreement with Switzerland on exchange of information *upon request as defined in the OECD agreement¹*
 - set the withholding tax at 20 % during the first three years of the transitional period and 35% from 2007 - until automatic exchange of information is introduced in Austria, Belgium and Luxembourg.”

¹ The OECD Agreement on Exchange of Information on Tax Matters as developed by the OECD global forum working group on effective exchange of information (DAFFE/CFA(2002)24/final).

