PRESS RELEASE

3195th Council meeting

Justice and Home Affairs

Luxembourg, 25 and 26 October 2012

President  Ms Eleni MAVROU
            Minister for the Interior
            Mr Loukas LOUKA
            Minister for Justice and Public Order
            of Cyprus
Main results of the Council

Home affairs ministers endorsed the establishment of a **Regional Protection Programme for Syria**, in response to the Syrian crisis. They also had a policy debate on the proposal for a decision concerning a **Union Civil Protection Mechanism** and took note of the state of play regarding the full application of the provisions of the **Schengen acquis in Bulgaria and Romania** as well as the establishment of a **Common European Asylum System (CEAS)**.

The Council then adopted conclusions on the protection of soft targets from terrorist activities and took note of an implementation report on enhancing the links between internal and external aspects of counter-terrorism. The Commission presented a report on illicit trafficking of firearms and Hungary informed ministers about the outcome of a conference regarding the **Salzburg Forum on police cooperation**. The presidency gave a brief overview of the state-of-play of a number of other legislative proposals in the area of home affairs.

The Mixed Committee (the EU plus Norway, Iceland, Liechtenstein and Switzerland), meeting in the margins of the Council, also examined the question of **Schengen accession of Bulgaria and Romania**. It then looked at the state of play regarding the implementation of the **Schengen Information System (SIS II)** as well as developments and trends in relation to illegal immigration as they are currently affecting the EU. In this context, the committee was briefed on the **Greek National Action Plan on Asylum Reform and Migration Management**. The Commission also presented its third report on the **post-visa liberalisation monitoring for the Western Balkan countries**.

Justice ministers took stock of the state of play and held a debate on two proposals for directives: on criminal sanctions for insider dealing and market manipulation ("Market Abuse Directive") and on the freezing and confiscation of proceeds of crime in the EU.

Ministers then discussed the recommendations contained in the final report on the fifth round of mutual evaluations, which was devoted to financial crime and financial investigations.

The Council heard a presentation by the Commission of its proposal for a directive on the fight against fraud to the Union's financial interests by means of criminal law.

In addition, the Council took note of the state of play on a revision of the 1995 directive on the protection of individuals with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation).
Lastly, the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) presented the 2012 report on the state of the drug problem in Europe.

Important items adopted without discussion (A items) include the political agreement reached with the European Parliament on the reception conditions directives which forms part of the package of legislative dossiers regarding the Common European Asylum System (CEAS) as well as new rules to simplify access to EU funds. Another important, non-legislative file adopted as an A-item, is the first biannual update of the 'EU Action on Migratory Pressures – A Strategic Response', which contains more than 90 activities that aim to fight and eliminate illegal migration.
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Lord Advocate for Scotland

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Vice President
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The government of the acceding state was represented as follows:

Croatia:
Mr Orsai MILJENIĆ
Mr Vladimir DROBNJAK

Permanent Representative
ITEMS DEBATED

Common European Asylum System (CEAS)

The Council was informed in a public session about the state-of-play of negotiations on the various outstanding legislative proposals concerning the Common European Asylum System (CEAS), on the basis of a presidency paper (14823/12).

The situation on the four outstanding files can be described as follows:

- A political agreement has been reached on the reception conditions directive. This political agreement was adopted at the Council without discussion (as an A-item) (14112/1/12). It fully reflects the result of negotiations with the European Parliament. Once formally adopted by both co-legislators, member states will need to transpose the new provisions into national law within two years. Denmark, Ireland and the United Kingdom are not bound by the directive.

For more information see 14556/12.

- Negotiations between the Council and the European Parliament on the substance of the Dublin regulation have also been finalized. The only outstanding issue is related to the comitology procedure, i.e. whether to use delegated or implementing acts. A first technical meeting on this issue has been held with the European Parliament and the presidency intends to reach final agreement by the end of the year.

The Dublin regulation establishes the procedures for determining the member state responsible for examining an application for international protection. The new rules will introduce a mechanism for early warning, preparedness and crisis management. This mechanism is aimed at evaluating the practical functioning of national asylum systems, assisting member states in need and preventing asylum crises. The mechanism would concentrate on adopting measures to prevent asylum crises from developing rather than addressing the consequences of such crises once they had occurred.

As a complement to the mechanism for early warning, preparedness and crisis management in the amended Dublin regulation, in March 2012 the Council adopted conclusions on a common framework for genuine and practical solidarity towards member states facing particular pressures on their asylum systems, including through mixed migration flows (7485/12). These conclusions are intended to constitute a toolbox for EU-wide solidarity towards those member states most affected by such pressures and/or encountering problems in their asylum systems.
– In June, the Commission tabled its new proposal for a revised Eurodac regulation (10638/12) which allows law enforcement authorities to access this central EU-wide fingerprint database, subject to strict conditions on data protection, for the purposes of fighting terrorism and organised crime. Negotiations between the Council and the European Parliament will start in the coming days.

– Further progress has been made in negotiations with the European Parliament with a view to reaching agreement on the asylum procedures directive before the end of the year. A revised proposal of the directive was tabled by the Commission on 1 June 2011 (11207/11).

Four other agreements and decisions related to the CEAS have already been adopted. They concern:

– The qualification directive providing for better, clearer and more harmonised standards for identifying persons in need of international protection which was adopted in November 2011 and entered into force in January 2012.

– The long term residence directive adopted in April 2011.

– The creation of the European Asylum Support Office (EASO), which started operations in spring 2011.

– The decision taken in March 2012 establishing common EU resettlement priorities for 2013 as well as new rules on EU funding for resettlement activities carried out by member states.

As regards the overall context, it should be remembered that the European Council confirmed in its conclusions in June 2011 that negotiations on the various elements of the CEAS should be concluded by 2012 (EUCO 23/11).

**Union Civil Protection Mechanism**

The Council held a public policy debate on a proposal to establish a Union Civil Protection Mechanism on the basis of a presidency paper (14445/12). The initial proposal was tabled by the Commission in December 2011 (18919/11).
The proposal aims at replacing the current legislation in this field - Council Decision on a Civil Protection Financial Instrument of 5 March 2007 (OJ L 71, 10.3.2007) and Council Decision establishing a Community Civil Protection Mechanism (recast) of 8 November 2007 (OJ L 314, 1.12.2007) - in order to improve the effectiveness and cost-efficiency of systems preventing, preparing for and responding to natural and man-made disasters of all kinds within and outside the Union.

The Council agreed that a gradual process should be launched to reinforce the prevention policy by developing a risk-based disaster management approach in all member states, taking account of differences in their risk assessment and planning policies.

The Council also discussed the necessary level of commitment by member states and the possible financial incentives from the EU budget for the proposed voluntary pool of member states' response assets.

The Council agreed that it was important for assets' availability to be predictable and agreed that financial support from the EU budget can create useful incentives for member states to make assets available to the voluntary pool.

Finally, the Council also agreed to consider a process by which the Commission, in cooperation with the member states, should identify significant response capacity gaps in the voluntary pool and, if gaps are identified, will consider all available options set out in the above mentioned presidency paper to address these gaps in the most effective way.

The Union Civil Protection Mechanism was set up in 2001. It relies on resources that are managed at national or regional level by the authorities of the 32 participating states (EU27 + Iceland, Liechtenstein, Norway, Croatia and FYROM). Since its creation the mechanism has been activated over 150 times to assist countries from inside and outside the EU for very different types of disaster ranging from storms, floods and earthquakes to forest fires and drought. The mechanism has also allowed over 2000 experts to be trained in the field of civil protection and a large number of exercises to be organised.

**Schengen accession: Romania / Bulgaria**

The Council was informed about the state-of-play regarding the decision on the full application of the provisions of the Schengen acquis in the Republic of Bulgaria and Romania as well as about the implementation of measures identified as contributing to the successful enlargement of the Schengen area to include the two countries.
A decision on the two countries’ accession has, so far, not been taken because the required unanimity has not been achieved.

The current proposal suggests a two-step approach: First step - checks on persons would be abolished at internal sea and air borders with and between Bulgaria and Romania; at the same time, the two countries would fully join the Schengen Information System (SIS). Next step - checks on persons at internal land borders would be lifted.

At its meeting on 1-2 March 2012, the European Council, recalling its discussions in 2011, reiterated that all legal conditions have been met for the decision on Bulgaria's and Romania's accession to the Schengen area to be taken. The European Council also acknowledged the continuous efforts undertaken by Bulgaria and Romania.

In this connection, the European Council asked the Council, during the intervening period, to identify and implement measures that would contribute to the successful enlargement of the Schengen Area to include Romania and Bulgaria.

**Syria: Regional Protection Programme**

The Council unanimously welcomed the Commission's work regarding the establishment of a Regional Protection Programme (RPP) in response to the Syrian crisis and tasked the Commission with setting up the programme as soon as possible. The goal of this RPP is to support Syria and its neighbours in setting up lasting capacities to deal with the effects of the crisis in the mid- and long-term. Ministers stressed that close coordination with international organisations such as UNHCR was of the greatest importance.

The Council also reviewed developments arising from the Syrian crisis more generally. This enabled ministers to report on how the crisis is impacting in their member states in terms of migratory movements and how they are responding to those developments.

The EU and its member states have been very active in providing humanitarian aid in the region since the beginning of the crisis. So far, the EU and its member states have made available over €230 million - more than 50% of all international aid - for immediate support measures ranging from food and water supply to shelter and healthcare.
According to UNHCR, more than 350,000 refugees have left Syria, mostly crossing into neighbouring countries (Jordan, Lebanon, Iraq and Turkey). Over 16,000 have arrived in the EU. Inside Syria, the number of displaced people is estimated to be close to 1.5 million. Considering the situation in the country and the unclear outlook as to how it will evolve, UNHCR estimates do not rule out the possibility that the numbers for both refugees and displaced people will rise to over 700,000 and 2.5 million respectively.

On 15 October 2012 the Foreign Affairs Council approved conclusions on Syria in which it confirmed the commitment of the EU and its member states in terms of humanitarian assistance.

**Counter-terrorism: Protection of soft targets**

The Council discussed and adopted conclusions on the protection of soft targets from terrorist attacks (14591/12).

The aim of these conclusions is to underline the importance of protection of soft targets and encourage cooperation in this area.

**Counter-terrorism: Link between internal and external aspects**

The Council took note of the implementation report on the Council conclusions on enhancing the links between internal and external aspects of counter-terrorism (11075/11).

The Council undertook to review on a regular basis the progress of the Counter-terrorism initiatives, the first report having been delivered in June 2011. The latest report also outlines recommendations regarding possible measures to further enhance links between internal and external aspects.
**Freezing and confiscation of proceeds of crime**

The Council noted the state-of-play on the draft directive on the freezing and confiscation of proceeds of crime in the EU, which aims to make it easier for national authorities to confiscate and recover the profits that criminals make from cross-border and organised crime.

In order to further advance the work at expert level, Ministers held discussion, on the basis of a document prepared by the Presidency (14826/12), in order to express their views on the appropriate criterion for defining the scope of Article 4 on extended powers of confiscation.

Various approaches were considered throughout the discussions, such as introducing a criterion based on an objective factor, such as an economic benefit filter, introducing a penalty threshold, extending the application of the provision only to specific types of offences (organised crime and terrorism) or limiting the application of the provision only to serious cases or serious crimes.

In the light of the discussion, the Council's preparatory bodies will continue exploring the most appropriate way to limit the application of the provision on extended powers of confiscation to serious crimes.

The Cyprus Presidency intends to reach a compromise by the end of the year on a text which could form the basis for the negotiations with the European Parliament under the ordinary legislative procedure.

**Financial crime and financial investigations**

The Council discussed recommendations contained in the final report on the fifth round of mutual evaluations, which was devoted to financial crime and financial investigations (12657/2/12 REV2).

On the basis of a presidency paper (14597/12), ministers considered how initiatives within the criminal law area could contribute to the enhanced fight against organised crime.

Ministers have emphasized that transnational organised crime remains one of the major challenges jeopardising the creation of an area of freedom, security and justice. The final report on the fifth round of mutual evaluations addressed a key aspect of this, focusing on financial crime and financial investigations.

Since 1996, the mutual evaluation mechanism has been used to evaluate the application and implementation at national level of international undertakings in the fight against organised crime.
State of the drug problem

The Council heard a presentation by the Director of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) of its 2012 report on the state of the drug problem in Europe.

The EMCDDA annual reports provide the latest data and commentary on the drug situation across the 27 EU Member States, Norway, Croatia and Turkey. Key challenges are discussed along with some of the promising practices used to address drug problems today. The 2012 report will be released in Lisbon on 15 November 2012.

Protection of the EU's financial interest

The Council took note of the proposal for a directive on the fight against fraud to the Union’s financial interests by means of criminal law, which had been presented by the European Commission. The aim of the proposal (12683/12) is to deter fraudsters, improve the prosecution and sanctioning of crimes against the EU budget, and facilitate the recovery of misused EU funds, thereby increasing the protection of EU taxpayers’ money.

The proposed directive provides common definitions of a number of offences against the EU budget and common prescription periods, within which the case must be investigated and prosecuted, as well as minimum sanctions, including imprisonment for the most serious cases to strengthen the deterrent effect. These common rules should, according to the Commission's proposal, help to ensure a level playing field and improved investigation and prosecution across the EU.

The proposal aims to define offences such as fraud, and other fraud-related crimes such as active and passive corruption, the misappropriation of funds, money laundering and obstruction of public procurement procedures to the detriment of the EU budget. It suggests that member states should impose a minimum sanction of six months' imprisonment for serious cases (Article 8), and a maximum penalty of at least 10 years' imprisonment where the offence was committed within a criminal organisation. In order to help the recovery of funds, it provides for confiscation of the proceeds of these crimes (Article 10). Furthermore, it suggests longer prescription periods for the offences defined (Article 12), in view of the fact that adequate time to investigate is of the utmost importance in complex cross-border cases.
Most member states supported the basic thrust and the objectives of the draft directive. Several member states and the Council legal service argued that the legal basis of the proposal should be Article 83(2) instead of Article 325(4) as proposed by the Commission. In addition, several delegations also expressed concerns about, in particular, the introduction of a minimum penalty, the level of penalties as well as the common prescription periods.

The Presidency instructed the Council's preparatory bodies to start working on all these issues.

**Processing of personal data**

The Council took note of the state-of-play on the proposal for a regulation on the protection of individuals with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) (5853/12).

The choice of legal instrument was raised during the debate. Some delegations expressed their preference for a directive instead of a regulation since it allowed for more flexibility where this was needed. However, some other delegations preferred the choice of a regulation, as proposed by the Commission.

Ministers have already discussed this proposal at the informal ministerial meeting in July on the basis of three questions: the administrative burden, the need for special treatment for the public sector and the number of delegated acts.

The proposal is the subject of in-depth discussions by experts in the Working Party on Data Protection, which began under the Danish Presidency and will continue under the Irish Presidency.

**Insider dealing and market manipulation**

The Council took note of the state-of-play on the proposal for a directive on criminal sanctions for insider dealing and market manipulation ("Market Abuse Directive") (16000/11). On the basis of a document prepared by the Presidency (14598/12), Ministers exchanged views in order to provide guidance for future negotiations.

The draft directive establishes minimum rules for criminal sanctions for the most serious market abuse offences, namely insider dealing and market manipulation. This would create an obligation for member states to ensure that these conducts are punishable as criminal offences.
During the debate, Ministers addressed one of the most relevant issues still unresolved, namely the principle of *ne bis in idem*. In particular, they focused on the relationship with the administrative offences provided for in the MAR and on how to ensure, in this situation, that the application of the MAR and the MAD did not endanger the principle of *ne bis in idem*, in cases where different types of sanctions could be (or had been) applied for the same facts.

Most delegations considered that the protection of the principle of *ne bis in idem* was relevant in relation to the MAR and MAD proposals. A majority of delegations considered that the task of protection of the principle should be left to each member state when implementing the directive and applying it in individual cases. However, some delegations considered that a solution should be found at EU level.

This proposal presented by the Commission in October 2011 is part of a broader "package" of measures, including a directive on markets in financial instruments -"MiFID" (*15939/11*); a regulation on markets in financial instruments and OTC - "MiFIR" (*15938/11*), and a regulation on insider dealing and market manipulation - "MAR" (*16010/11*), which sets up a common regulatory framework on market abuse.
Any Other Business

The Council was informed about the state-of-play of a number of legislative proposals, including:

– the proposed regulations on the Multiannual Financial Framework (MFF) in the justice and home affairs area;

– the Initiative of the Kingdom of Belgium, the Republic of Bulgaria, the Republic of Estonia, the Kingdom of Spain, the Republic of Austria, the Republic of Slovenia, and the Kingdom of Sweden regarding the European Investigation Order;

– the draft directive on the right of access to a lawyer in criminal proceedings and on the right to communicate upon arrest;

– the draft regulations establishing the Justice Programme and the Rights, Equality and Citizenship Programme for the period 2014 to 2020;

– the draft regulation on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (Recast) (Brussels I).

The Commission gave a presentation on illicit trafficking of firearms and informed ministers about the implementation of mutual recognition instruments.

Hungary informed ministers about the Salzburg Forum ministerial conference held in Budapest on 11 and 12 October 2012.
Mixed Committee

In the margins of the Council meeting, the Mixed Committee (the EU plus Norway, Iceland, Liechtenstein and Switzerland) discussed the following items:

-Post-visa liberalisation monitoring for the Western Balkan countries

The committee discussed the Commission's third report on the post-visa liberalisation monitoring for the Western Balkan countries.

Delegations expressed concern about a considerable increase in mostly unfounded asylum applications from nationals of several Western Balkan countries and underlined the importance of taking forward measures to remedy the situation. Among other things, dialogue with the countries concerned was seen to be of major importance, and the Commission confirmed that the subject will be addressed at the forthcoming ministerial forum on justice and home affairs between the EU and the Western Balkan countries which will take place on 5 and 6 November 2012 in Tirana, Albania.

In this context, a large number of delegations also asked to speed up current negotiations with the European Parliament on amendments to the rules governing the EU’s visa-free regime. The Commission tabled its proposal to amend the existing rules in May 2011. It concerns regulation 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders (Annex I to the regulation) and those whose nationals are exempt from that requirement (Annex II of the regulation) (10834/11).

The discussions between Council and Parliament started in January 2012. They focus on the introduction of a safeguard clause allowing the temporary reintroduction of the visa requirement - in specific circumstances - for nationals of a third country who can normally travel to the EU without a visa (those countries in Annex II). The new rules would also strengthen the notion of reciprocity, i.e. how to deal with situations where a country in Annex II reintroduces a visa requirement for citizens of particular EU member states or the EU as a whole.

-Schengen accession: Romania / Bulgaria

The Council was informed about the state-of-play regarding the decision on the full application of the provisions of the Schengen acquis in the Republic of Bulgaria and Romania as well as about the implementation of measures identified as contributing to the successful enlargement of the Schengen area to include the two countries.
A decision on the two countries' accession has, so far, not been taken because the required unanimity has not been achieved.

The current proposal suggests a two-step approach: First step - checks on persons would be abolished at internal sea and air borders with and between Bulgaria and Romania; at the same time, the two countries would fully join the Schengen Information System (SIS). Next step, -checks on persons at internal land borders would be lifted.

At its meeting on 1-2 March 2012, the European Council, recalling its discussions in 2011, reiterated that all legal conditions have been met for the decision on Bulgaria's and Romania's accession to the Schengen area to be taken. The European Council also acknowledged the continuous efforts undertaken by Bulgaria and Romania.

In this connection, the European Council asked the Council, during the intervening period, to identify and implement measures that would contribute to the successful enlargement of the Schengen Area to include Romania and Bulgaria.

-Greece's National Action Plan on Asylum Reform and Migration Management

The Greek minister, the Commission, the European border surveillance agency (Frontex) and the European Asylum Support Office (EASO) informed the Council about progress in the implementation of the Greek national action plan on asylum and migration. The Commission, in particular, informed ministers about its most recent visit to Athens and the Evros region.

Delegations welcomed the progress made by Greece over the past months in financially difficult circumstances and stressed that the momentum should not be lost.

-Illlegal immigration

The Council was briefed by Frontex and the Commission on recent developments and trends in relation to illegal immigration as they currently affect the EU.
-SIS II

The committee looked at the latest developments on the implementation of the Schengen Information System II (SIS II), which is planned to come into operation by the first quarter of 2013.

The Schengen Information System (SIS) is a database shared by participating countries' border and migration authorities and law enforcement authorities and contains information on persons and on lost and stolen objects. Specific stringent data protection rules apply to the SIS. It is a compensatory measure for the opening of the internal borders under the Schengen agreement, but it is also seen as a vital security factor in the EU. The European Commission is currently developing a second generation of the SIS, commonly known as SIS II.

-Any Other Business

The committee was informed about the state-of-play regarding a number of legislative proposals, including:

- the regulation for the establishment of a European Border Surveillance System (EUROSUR);
- the Schengen-related legislative proposals that are currently under discussion, namely the Schengen evaluation mechanism and the Schengen Borders Code. The Council adopted a general approach on both items at the June Council (see 10760/12, p. 9-12);
- the amendments regarding the EU visa-free regime (regulation 539/2001).
OTHER ITEMS APPROVED

JUSTICE AND HOME AFFAIRS

Reception conditions of applicants for international protection

The Council adopted its first-reading position on the amended recast of the reception conditions directive (14112/1/12).

The text as it stands now is the result of negotiations with the European Parliament and should be accepted without amendments in the European Parliament's second reading, subject to verification by the lawyer-linguists of both institutions.

For more information see 14556/12.

Trafficking in Human Beings

The Council adopted revised conclusions (11838/6/12 REV6) on the new EU Strategy towards the Eradication of Trafficking in Human Beings (2012-2016) (11780/12), which invite member states to step up their efforts to effectively combat trafficking in human beings and to protect its victims by strengthening internal and external cooperation and by taking into account the five priorities identified in the EU Strategy.

EU Action on Migratory Pressures

The Council took note of the updated "EU Action on Migratory Pressures - A Strategic response" (9650/12), which contains a list of strategic priority areas where efforts need to be stepped up and monitored in order to prevent and control existing pressures that derive from illegal immigration as well as the abuse of legal migration routes. The document is intended to respond to current migratory challenges in a tangible and realistic way.

EU Radicalisation and Recruitment Action Plan

The Council endorsed the updated Implementation Plan of the revised EU Radicalisation and Recruitment Action Plan, which sets out to implement the EU counter-terrorism strategy. It lists measures that may be taken by member states and various EU bodies with a view to preventing and countering radicalisation to terrorism. The plan was last revised in 2009.
CEPOL Cooperation Agreements

The Council approved the conclusion of two cooperation agreements between the European Police College (CEPOL) and:

– the Police Training Centre of the Albanian State Police (14422/12);

– the Academy "Stefan Cel Mare" of the Ministry of Internal Affairs of the Republic of Moldova (14423/12).

EU CULTNET

The Council adopted a resolution on the creation of an informal network of law enforcement authorities and expertise competent in the field of cultural goods (14232/12) for the purpose of preventing and combating crime against cultural goods by strengthening coordination at national level between law enforcement and cultural authorities and private organisations (e.g. antique shops, auction houses, online auctions).

Furthermore, the EU CULTNET aims at identifying and sharing, in compliance with data protection rules, non-operational information on criminal networks suspected of being involved in illicit trafficking of stolen cultural goods, in order to determine the links between such networks and other forms of (organised) crime and to identify routes, destinations, modus operandi and types of criminal activities, in close cooperation with relevant international organisations, such as Europol, Eurojust, Interpol and UNESCO.

Automated data exchange with Cyprus

The Council adopted a decision on the launch of automated data exchange regarding dactyloscopic (13676/12) and DNA data (13677/12) in Cyprus. The evaluation procedure required by Council Decision 2008/616/JHA\(^1\) concluded that the general provisions on data protection have been fully implemented by Cyprus and the country is therefore entitled to start receiving and supplying personal data for the purpose of preventing and investigating criminal offences as from the date of entry into force of this decision.

\(^1\) OJ L 210, 6.8.2008.
Automated data exchange with Sweden

The Council adopted a decision on the launch of automated data exchange concerning Vehicle Registration Data (VRD) in Sweden (14135/12). The evaluation procedure required by decision 2008/616/JHA\(^1\) concluded that the general provisions on data protection have been fully implemented by Sweden and the country is therefore entitled to receive and supply personal data for the purpose of preventing and investigating criminal offences as from the date of entry into force of this decision.

Update of restrictive measures

The Council adopted the updated statements of reasons concerning persons, groups and entities subject to the restrictive measures provided for under Council regulation 2580/2001\(^2\) with a view to combating terrorism. It also took note of a letter of notification to be sent to the persons and groups concerned. The corresponding notice will be published in the Official Journal (C series).

The Council is required to review the list at regular intervals and at least twice a year to ensure that there are grounds for keeping the names of those persons, groups and entities on it.

**COMMON SECURITY AND DEFENCE POLICY**

Small arms and light weapons

The Council allocated EUR 1.68 million in support of activities to reduce the risk of illicit trade in, and excessive accumulation of small arms and light weapons (SALW) in the region covered by the Organisation for Security and Cooperation in Europe (OSCE). Projects include a regional training workshop for officials responsible for brokering controls on SALW and security upgrades to SALW stockpile storage sites in Belarus and Kyrgyzstan.

Framework participation agreement with Moldova

The Council authorised the signing and conclusion of an agreement between the EU and the Republic of Moldova establishing a framework for the participation of Moldova in EU crisis management operations.

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\(^1\) OJ L 210, 6.8.2008.
GENERAL AFFAIRS

Exception clause of the staff regulations

The Council adopted conclusions on the Commission report concerning the exception clause of Article 10 of Annex XI to the staff regulations (14913/12).

Multilateral summits – Treaty of Lisbon

The Council endorsed an agreement reached by the Permanent Representatives Committee on key issues arising in the organisation of multilateral summits, i.e. with groups of third countries, in the light of changes brought about by the Treaty of Lisbon.

The changes affect the external representation of the EU and have consequences for the hosting and organisation of summit meetings. They include budgetary implications.

For bilateral summits with individual third countries, the arrangements for technical organisation and financing were established in 2010.

ECONOMIC AND FINANCIAL AFFAIRS

Adoption of new financial rules for the annual EU budget

The Council adopted¹ a regulation aimed at equipping the EU budget with simpler financial rules while securing sound treatment of European taxpayers' money (45/12 + 14800/12 ADD 1 + ADD 2 + ADD 3). This follows a first-reading agreement with the European Parliament. In order to enter into force, the new rules have to be published in the Official Journal of the EU. They will become applicable on 1 January 2013, the same day as the rules of application that should be adopted by the Commission in the coming days.

For more information please see 15188/12.

¹ The Dutch delegation abstained.
**FISHERIES**

*Southern Indian Ocean fisheries agreement - Position of the EU*

The Council adopted a decision on the establishment of the EU position to be adopted in the framework of the Southern Indian Ocean fisheries agreement (SIOFA).

The SIOFA is aimed at ensuring the long-term conservation and sustainable use of fishery resources other than tuna in areas falling outside national jurisdictions in the Southern Indian Ocean.

*South Pacific regional fisheries management organisation - Position of the EU*

The Council adopted a decision on the establishment of the EU position to be adopted in the framework of the South Pacific regional fisheries management organisation (SPRFMO).

The SPRFMO Commission is responsible for the adoption of measures designed to ensure the long-term conservation and sustainable use of fishery resources in the convention area to minimise the impact of fishing activities on marine eco-systems.