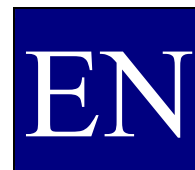




**COUNCIL OF
THE EUROPEAN UNION**



15150/04 (Presse 339)

PROVISIONAL VERSION

PRESS RELEASE

2628th Council Meeting

Economic and Financial Affairs

Brussels, 7 December 2004

President **Mr Gerrit ZALM**
Deputy Prime Minister, Minister for Finance

P R E S S

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15150/04 (Presse 339)

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Main Results of the Council

The Council approved mandates for negotiations with the European Parliament on three financial services directives - on minimum requirements aimed at improving the reliability of **company financial statements** and new requirements on the **capital adequacy** of banks and investment firms – as well as on strengthened provisions against **money laundering** and **terrorist financing**.

The Council also reached agreement on new tax arrangements for **company mergers**.

It adopted conclusions on accountability as regards **revisions by Greece of data** it had previously provided for assessment of its budgetary situation.

Savings tax agreements with Liechtenstein, Monaco and San Marino were signed in the margins of the Council.

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- 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.
- The documents whose references are given in the text are available on the Council's Internet site <http://ue.eu.int>.
- 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 abovementioned Council Internet site or may be obtained from the Press Office.

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PARTICIPANTS

The Governments of the Member States and the European Commission were represented as follows:

Belgium:

Mr Didier REYNDERS

Deputy Prime Minister and Minister for Finance

Czech Republic:

Mr Bohuslav SOBOTKA

Deputy Prime Minister and Minister for Finance

Denmark:

Mr Thor PEDERSEN

Minister for Finance

Germany:

Mr Hans EICHEL

Federal Minister for Finance

Estonia:

Mr Taavi VESKIMÄGI

Minister for Finance

Greece:

Mr Georgios ALOGOSKOUFIS

Minister of Economic Affairs and Finance

Spain:

Mr Pedro SOLBES MIRA

Minister for Economic Affairs

France:

Mr Hervé GAYMARD

Minister for Economic Affairs, Finance and Industry

Ireland:

Mr Brian COWEN

Minister for Finance

Italy:

Mr Domenico SINISCALCO

Minister for Economic Affairs and Finance

Cyprus:

Mr Iacovos N. KERAgnos

Minister for Finance

Latvia:

Ms Valentīna ANDRĒJEVA

State Secretary, Ministry of Finance

Lithuania:

Mr Algirdas BUTKEVIČIUS

Minister for Finance

Luxembourg:

Mr Jean-Claude JUNCKER

Prime Minister, Ministre d'Etat, Minister for Finance

Hungary:

Mr Tibor DRASKOVICS

Minister for Finance

Malta:

Mr Tonio FENECH

Parliamentary Secretary, Ministry of Finance

Netherlands:

Mr Gerrit ZALM

Deputy Prime Minister, Minister for Finance

Austria:

Mr Karl-Heinz GRASSER

Federal Minister for Finance

Poland:

Mr Mirosław GRONICKI

Minister for Finance

Portugal:

Mr Luís MORAIS LEITÃO

State Secretary for the Treasury and Financial Affairs

Slovenia:

Mr Andrej BAJUK

Minister for Finance

Slovakia:

Mr Vladimír TVAROŠKA

State Secretary, Ministry of Finance

Finland:

Mr Antti KALLIOMÄKI

Deputy Prime Minister, Minister for Finance

Sweden:

Mr Pär NUDER

Minister for Finance

United Kingdom:

Mr Jon CUNLIFFE

Director, HM Treasury

.....
Commission:

Mr Joaquín ALMUNIA

Member

Ms Dalia GRYBAUSKAITE

Member

Mr László KOVÁCS

Member

Mr Charlie MCCREEVY

Member

.....
Other participants:

Mr Pierre VAN DER HAEGEN

Director General at the European Central Bank

Mr Philippe MAYSTADT

President of the European Investment Bank

Mr Caio KOCH-WESER

Chairman of the Economic and Financial Committee

ITEMS DEBATED

STABILITY AND GROWTH PACT

– *Revisions of Greek budget data*

The Council took note of a report by the Commission on the issue of accountability as regards revisions by Greece of data it had previously provided for the assessment of its budgetary situation, and of a report by Eurostat on the revisions of the figures.

It adopted the following conclusions.

"The figures on the budget deficit and public debt of Greece for the period since 1997, as set out in the final report by Eurostat, confirm that, on the basis of ESA95, the budget deficits have been consistently above the reference value since 1997 and that the debt to GDP ratio has not diminished and approached the reference value as required by Article 104 of the Treaty. The Council acknowledges the initiative of the Greek government and its close co-operation with Eurostat to settle long-standing open questions on budget statistics and to bring them in line with the ESA 95 requirements. The scope and size of the past revisions in the Greek case are unprecedented and very serious, particularly as regards the overall credibility of the multilateral surveillance framework.

Reliable and timely statistics are essential for economic policy-making and multilateral surveillance and a crucial precondition for effective Council decision-making. The ministers therefore welcome the Commission report on accountability, which sets out the Commission's analysis of responsibility for the persistent failings in the provision and verification of accurate data.

First, the report makes it clear that the Greek statistical authorities have for a long time not provided accurate information to Eurostat. They also suffered from a serious lack of capacity to provide the required data. Ministers urge the Greek authorities to draw the necessary conclusions.

Second, the Council regards it as another serious cause for concern that, as the report acknowledges, Eurostat validated the critical March 2000 EDP notification data of Greece, in spite of significant open issues related to the fiscal data.

Third, the Commission's and the ECB's Convergence Reports failed to emphasise to the Council potential problems with regard to Greek budgetary statistics.

Fourth, while it is the primary responsibility of the Commission to assess the data provided by Member States, the EFC and the Council could have paid greater attention to the quality of the data reported by each government.

The Council takes note of the Commission's decision to launch an infringement procedure as a practical consequence of its accountability report.

The Council will return to the issue of how to improve the governance in the European statistical system early next year."

CONVERGENCE REPORTS FOR 2004

The Council took note of the presentation by the Commission and the European Central Bank of their 2004 reports on convergence of the Member States' economic performances.

The reports include for the first time an assessment of the ten new Member States' progress towards adoption of the euro.

FINANCIAL FRAMEWORK FOR 2007-13

The Council held a debate on the EU's financial framework that is currently being prepared for the 2007-13 period.

The Presidency's intention is for the European Council to define, at its meeting on 16 and 17 December, principles and guidelines for further work aimed at achieving political agreement on the financial framework next year. The Council in its General Affairs configuration (as the preparatory body for the European Council) has overall responsibility for the negotiations, although the particular interest of the Economic and Financial Affairs (Ecofin) Council is recognised.

Examination of the Commission's proposals, using the so-called building block methodology, has recently focused on the content of individual policies and on the spending amounts they entail, with a view to identifying a range of policy choices together with their financial implications.

Delegations' interventions will be used as input for the principles and guidelines to be defined by the European Council. The President concluded that:

- The building block methodology has enabled the range of delegations' positions to be broadly represented and will help in finding an agreement in 2005. This approach has illustrated the different policy preferences whilst allowing delegations to remain coherent in their individual positions.
- In spite of the principle that nothing is agreed until everything has been agreed, delegations recognised the need to define an overall package, including on the EU's system of own resources;
- Positions on expenditure levels vary greatly, with some delegations considering the levels proposed by the Commission to be appropriate, whereas other delegations wish to limit total spending to one percent of GNI and others have intermediary positions on the issue;
- All delegations recognise that the financing of the EU's cohesion policy will be a key element in the package. The sentiment within the Council is that despite important differences on the issue, the interests of the new Member States must be respected.

Discussions will continue within the Ecofin Council on the financial framework under the incoming Luxembourg Presidency.

TERRORISM AND MONEY LAUNDERING

– *EU strategy against terrorist financing*

The Council took note of the presentation by Mr Gijs de Vries, EU Counter-Terrorism Coordinator, of a strategy document prepared by the High Representative for Common Foreign and Security Policy and by the Commission on prevention of the financing of terrorists and terrorist groups.

It agreed to forward the document to the General Affairs Council with a view to the European Council meeting on 16 and 17 December.

The strategy, which comes in response to a request by the European Council in June, provides an overview of the EU's actions to date and a number of recommendations on how they might be further strengthened. A separate report on implementation of the EU's action plan against terrorism will also be submitted to the European Council.

– *Directive on money laundering*

The Council agreed on a general approach on a proposal for a Directive aimed at preventing the use of the financial system for the purpose of money laundering and terrorist financing. It requested the Presidency to engage contacts with representatives of the European Parliament with a view to enabling the Directive to be adopted in first reading.

The draft Directive is intended to replace Directive 91/308/EEC whilst extending the scope of its provisions to cover terrorist financing as well as persons and institutions not currently included. It is also aimed at implementing recommendations issued recently by the G7's Financial Action Task Force on Money Laundering.

Under the Council's general approach, the Directive would apply to natural or legal persons trading in goods for payments made in cash for amounts of EUR 15 000 or more, whether the transaction is carried out in a single operation or in several operations that appear to be linked. Member States would be required to implement the Directive within 18 months following its entry into force.

FINANCIAL SERVICES

– Capital adequacy requirements

The Council agreed on a general approach on proposals for two Directives introducing new capital adequacy requirements for banks and investment firms, in accordance with guidelines established in June by the Basel Committee on Banking Supervision. It requested the Presidency continue contacts with representatives of the European Parliament in order to explore the possibility of adopting the two Directives in first reading.

The proposals are part of an EU action plan aimed at ensuring a single market for financial services with a view to strengthening the competitiveness of the European economy by lowering capital costs for companies.

They are intended as a recast of Directive 2000/12/EC on the business of credit institutions and of Directive 93/6/EEC on the capital adequacy of investment firms and credit institutions, whilst transposing the Basel Committee's so-called Basel II agreement into EU law.

Composed of members from Belgium, Canada, France, Germany, Italy, Japan, Luxembourg, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom and the United States, the Basel Committee formulates supervisory standards and guidelines and recommends statements of best practice for banking supervisory authorities. Member countries are represented by their central banks and by their authorities responsible for the prudential supervision of banking business.

The two draft Directives follow the Basel agreement in requiring implementation of the new capital adequacy requirements by the end of 2006, with implementation of certain provisions by the end of 2007.

Under the Council's general approach, supervisors would be required to work together so as to decide within six months on applications from cross-border banking groups; where agreement is not possible, the competent authority of the parent company would take the decision. Provisions on the risk weighting of state debt securities in different currencies would be defined under a committee procedure in order to prevent potential difficulties for certain Member States in preparations for their accession to the euro zone.

– Audit of company accounts

The Council agreed on a general approach on a proposal for a Directive aimed at improving the reliability of company financial statements by establishing minimum requirements for the audit of company accounts. It requested the Presidency to engage contacts with representatives of the European Parliament with a view to enabling the Directive to be adopted in first reading.

The draft Directive introduces a number of provisions in order to better ensure independence and ethics amongst statutory auditors and audit firms. These include a requirement for external quality assurance, ensuring public oversight over the audit profession and improved co-operation between the oversight bodies of the Member States.

The Directive, intended to replace Directive 84/253/EEC and amend Directives 78/660/EEC and 83/349/EEC, would also provide a basis for regulatory co-operation with oversight bodies in third countries so as to cater for the global dimension of capital markets.

The Council's general approach maintains a provision requiring the creation of audit committees, whilst limiting its scope in order to accommodate concerns expressed by a number of delegations.

REGULATORY REFORM

The Council was briefed by the Presidency on the follow-up given to conclusions adopted at its meeting on 21 October regarding the potential burden on businesses of compliance with EU legislation and regulations.

It was informed of work under the current Netherlands Presidency and of the intentions of the future Luxembourg and United Kingdom Presidencies, as well as of conclusions adopted by the Competitiveness Council at its meeting on 25 November.

In its 21 October conclusions, the Council requested the Commission to continue work on a methodology to measure the administrative burden of EU legislation and regulation, and to set up pilot projects in order to test the methodology. It called on the Commission to present and implement the methodology as soon as possible in 2005 after completion of the pilot phase.

TAXATION

– Place of supply/VAT payments

The Council examined a draft Directive aimed at changing the place of taxation – from the place where the supplier is located to the place where the customer is located – with regard to VAT payments for business-to-business services.

Discussion focused on the conditions for entry into force of the Directive and on provisions relating to the long-term leasing of motor vehicles.

The Council requested the incoming Luxembourg Presidency to consult further on these issues and to report back at a future meeting with a view to enabling it to reach an agreement.

– VAT reduced rates

The Council took note of the intentions of the Luxembourg and United Kingdom delegations concerning work on the issue of VAT reduced rates during their forthcoming presidencies.

The Commission proposed in July 2003 a general review of reduced VAT rates, but various attempts at enabling a compromise on the different issues involved have yet to draw sufficient support within the Council.

The Council also took note of the presentation by the Commission of a note on the issue.

– Excise duties on alcohol

Ministers discussed over lunch the issue of excise duties on alcoholic beverages, on the basis of a report by the Commission.

The report covers a number of issues, such as:

- the possibility of increased minimum excise rates;
- further harmonisation of excise rates;

- changes in the structure of excise duties, for instance as regards still and sparkling wines;
- customs nomenclature codes;
- the classification of alcoholic beverage products.

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Over lunch, Ministers were briefed by the Presidency on the results of the Eurogroup meeting held on 6 December and held an exchange of views on the issue of excise duties on alcohol (see p. 15).

Three further events took place in the margins of the Council:

- Troika meeting with the European Parliament on the broad economic policy guidelines;
- Dialogue with the social partners on macroeconomic policy;
- Signature of agreements with Liechtenstein, Monaco and San Marino on the taxation of savings income.

OTHER ITEMS APPROVED

ECONOMIC AND FINANCIAL AFFAIRS

Tax arrangements for mergers *

The Council reached a political agreement on a draft Directive aiming at improving the system of taxation for companies of different Member States applicable to mergers, divisions, transfers of assets and exchanges of shares (15341/04).

The text is intended to contribute to the elimination of obstacles to the functioning of the internal market by amending Directive 90/434/EEC on the EU's common system of taxation.

New provisions contained in the draft Directive concern:

- the extension of the scope to cover types of division where the company transferring branches of activity is not dissolved
- the extension of the scope to cover entities which carry out cross-border activities in the Community
- the addition of public limited-liability companies (*Societas Europaea* or SE) and cooperative societies (SCE) to the list of European companies under the scope of the Directive
- the possibility for Member States not to apply provisions of the Directive when taxing a direct or indirect shareholder of certain corporate taxpayers
- non taxation for persons having interest in the shareholder on the occasion of restructuring transactions
- clarification of the application of rules to operations regarding conversion of branches into subsidiaries
- modification of the definition of the exchange of shares
- amendment of the scope of a provision regarding the countering of tax avoidance and tax evasion.

Monaco - Agreement on taxation of savings income

The Council adopted a Decision authorising the signature of an Agreement and a Memorandum of Understanding with Monaco on the taxation of savings income (14774/04).

The Agreement aims at ensuring taxation of savings income in the form of interest payments through the adoption of equivalent measures to those applied within the Community and laid down in Council Directive 2003/48/EC.

Under the Agreement, Monaco will retain 25% of the revenue generated by the withholding tax and transfer 75% to the Member State of residence of the beneficial owner of the interest payment.

Financial assistance to Serbia and Montenegro and Bosnia and Herzegovina

The Council adopted Decisions providing additional macro-financial assistance to Serbia and Montenegro and to Bosnia and Herzegovina with a view to ensuring a sustainable balance of payments situation and strengthening both countries' reserve positions (14740/04 and 14738/04).

The two Decisions allow for the payments of grant funds and loan disbursements after 9 November 2004 as the countries continue to require external financial support in addition to what is provided by international financial institutions.

Quarterly non-financial accounts

The Council reached a political agreement on a draft Regulation aimed at providing a framework for contributions of the Member States to the compilation of quarterly non-financial accounts sector (14658/04).

The compilation of quarterly accounts is deemed necessary for the analysis of cyclical movements in the EU economy and the conduct of monetary policy within the Economic and Monetary Union (EMU). Data is required in order to provide an overview of the economic behaviour and the inter-relationship of institutional sectors, as stated in the Action Plan on EMU Statistical Requirements endorsed by the Ecofin in September 2000.

Key issues addressed in the draft Regulation include :

Definitions and standards. Standards, definitions, classifications and accounting rules for data are those laid down in Regulation 2223/96 ("ESA Regulation").

Reporting obligations. Member States will report data with respect to the "rest of the world" sector and the "general government" sector. Those countries whose GDP is lower than 1% of the EU25 total must not report the transactions of the other sectors (corporations and households).

Timeliness. Member States are required to transmit quarterly sector accounts data at the latest 90 days after the end of the quarter to which the data relates.

Consistency requirements. Data transmitted must be consistent with the quarterly non-financial accounts of the general government and the quarterly main aggregates of the total economy.

Double taxation of associated enterprises - Code of conduct

The Council reached a political agreement on a code of conduct for implementation of the EU's Convention on the elimination of double taxation in connection with the adjustment of profits of associated enterprises ("Arbitration Convention") and on the accession of the ten new Member States to the Convention (12695/04 and 12694/2/04).

The Arbitration Convention is an instrument that provides the right for taxpayers to initiate a procedure and a negotiation process between the competent authorities in the event of double taxation as a result of transfer pricing adjustments of associated enterprises.

The Convention lays down an arbitration procedure and sets a deadline of two years for the negotiation process when competent authorities cannot agree on how to resolve a case. The main objectives are timely decisions and guarantee for relief of double taxation.

The code of conduct is a political commitment which does not affect the Member States' rights and obligations resulting from the Treaty.

Code of conduct on business taxation

The Council took note of a progress report (15317/04) on a code of conduct for business taxation and approved the following conclusions:

"The Council

Welcomes the progress achieved by the Code of Conduct Group (Business Taxation) as set out in its report (doc. 15317/04 FISC 249).

Notes that the descriptions in Annex 2 of doc. 15317/04 FISC 249 form an agreed basis for the evaluation of rollback.

Notes that the Code of Conduct Group has considered the proposed revised or replacement measures of the measures mentioned in annex 2 (B) of doc. 15317/04 FISC 249 against the established criteria of the Code of Conduct and has found that none of these are harmful within the meaning of the Code.

Agrees that the proposed revised or replacement measures mentioned in Annex 2 (B) of doc. 15317/04 FISC 249 are adequate to achieve rollback of all the harmful features of the measures.

Agrees to an extension of benefits beyond the end of 2005 as set out in paragraph 37 of the Code of Conduct Group's report (doc. 15317/04 FISC 249).

Asks the Group to continue monitoring standstill and the implementation of rollback and report to the Council before the end of the Luxembourg Presidency."

VAT - United Kingdom - Expenditure on road vehicles

The Council adopted a Decision extending the validity of an authorisation granted in 1998 to the United Kingdom to restrict to 50% the right of a hirer or lessee to deduct input tax on charges for the hire or lease of a business passenger car where the car is also used for private purposes (14593/04).

The Decision also allows the UK not to treat as supplies of services for consideration the private use of a car hired or leased by a taxable person for business purposes. It removes the need for the hirer/lessee to keep records of private mileage travelled in business cars and to account for tax on the actual private mileage of each car. It is therefore a simplification measure but also limits the scope for abuse through incorrect record keeping.

This special measure is a derogation to general rules on turnover taxes set by Directive 77/388/EEC. It will apply until new Community rules come into force or until 31 December 2007 at the latest.

VAT - France and Spain - Investment gold

The Council adopted Decisions extending the validity of authorisation granted to France and Spain to include in the taxable amount of a supply of goods or services the value of gold used by the supplier and provided by the recipient in cases where the supply of the gold to the recipient is exempt of VAT (14595/04 and 14592/04).

The two Decisions aim to avoid abuse of the exemption for investment gold and thus to prevent certain types of tax evasion or avoidance.

These special measures are a derogation to general rules on turnover taxes set by Directive 77/388/EEC. They will apply until new Community rules come into force or until 31 December 2009, whichever comes earlier.

VAT - France and Italy - Mont Blanc and Fréjus tunnels

The Council adopted a Decision extending the validity of authorisation granted to France and Italy in order to simplify the way in which VAT is calculated and accounted for as regards transit in the Mont Blanc (Monte Bianco) and Fréjus tunnels (14591/04).

The carriageway within the tunnels will be considered, for their entire length, as part of the territory of the Member State from which any journey starts. The French office will apply French VAT to the entire toll for all journeys starting from the French side and the same mechanism will be applied from the Italian side.

This special measure is a derogation to general rules on turnover taxes set by Directive 77/388/EEC.

Financial regulation, supervision and stability - 2002 Report

The Council adopted the following conclusions:

"The Council reviewed the various recommendations of the 2002 EFC Report on financial regulation, *supervision* and stability. It welcomes the progress achieved in the follow-up to these particularly in three areas:

The Extension of the Lamfalussy Framework to all sectors

The Council welcomes especially the establishment of the Committee of European Banking Supervisors (CEBS) and the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS). It notes that the new committees are already contributing to regulatory preparations, supervisory co-operation, convergence of supervisory practices, and the assessment of financial stability. It notes that the new committees have established general principles of co-operation and encourages them to ensure co-ordinated approaches where necessary. The Council welcomes also the Commission's continued efforts towards further improvements to the Lamfalussy framework by enhancing transparency and involving relevant parties in the legislative process. The Council expects the extension of the Lamfalussy structure to all financial sectors be implemented rapidly after its formal adoption.

In the light of the ongoing developments and trends in EU financial markets, and considering that the committee structure at level 3 does not cover explicitly financial conglomerates, the Council invites the Financial Conglomerates Committee and the Commission to clarify how advice on financial conglomerates will be provided in the regulatory process.

Financial Services Committee

The Council welcomes the substantial value added to date by the FSC in providing strategic reflection, oversight and advice on a range of issues, including, in particular, on the future financial integration strategy, and on stability and crisis management, which has helped Ministers to determine further policy actions. The ongoing developments in the financial markets will impact on the workload ahead, which will require considerable efforts by finance ministries and the FSC. The Commission and FSC members are invited to ensure that necessary expertise in the various relevant areas of FSC's work is being provided.

For the FSC's future work, the Council suggests that it should focus in 2005 on: (i) continuing to improve the arrangements for crisis management, by developing, in co-operation with representatives of the central banks and supervisors, a proposal for a Memorandum of Understanding on crisis management and a crisis simulation exercise; (ii) providing strategic overview on how the EU framework for financial regulation and supervision should be developed over the next few years from the finance ministries' viewpoint; and (iii) assessing the Commission's forthcoming Communication outlining its future financial services strategy.

The EFC's Financial Stability Table

The Council also welcomes the regular assessments of financial stability and recommendations for policy action in key areas of work undertaken regularly by the EFC in its Financial Stability Table format. This format usefully brings together high-level representatives of EU finance ministries, central banks and supervisors, as well as the Commission.

Considering the ongoing developments in the EU's financial markets, the Council invites the relevant parties, particularly the level 3 committees, in their joint assessments, to cover cross-border and cross-sector issues in a systematic and comprehensive manner.

The Council invites the EFC to continue to report on these issues at least on a semi-annual basis to the informal meetings of ministers and central bank governors.

Next steps

Finally, in light of the review presented above, the Council reaffirms the need for a thorough evaluation of the Lamfalussy framework's application to all sectors when substantial experience with the framework has been gained. In this context, the Council recalls that all elements of the Lamfalussy framework shall be monitored regularly to ensure the new structure to be rapidly implemented. The next review of the framework shall take place in spring 2006."

Transfer pricing in the field of business taxation

The Council adopted the following conclusions:

"The Council welcomes the decision of the Commission to prolong the work of the EU Joint Transfer Pricing Forum (hereafter JTPF) for a period of 2 years as of 1 January 2005.

The Council endorses and fully supports the work of the JTPF in examining the practical problems related to the application of the tax rules on transfer pricing in the Internal Market.

The Council is pleased with the first report of the JTPF of December 2003, that the Commission transmitted through its Communication of 23 April 2004 and the proposal for a code of conduct for the effective implementation of the arbitration convention to be approved by the Council of 7 December 2004.

The Council takes note that the JTPF intends to formally adopt its working programme for 2005 and 2006 at its next Meeting scheduled for 14 December 2004, whereby the draft working program consists of issues carried over from the 2002 work program as well as new identified issues.

The Council agrees that the Forum should continue its work on the same basis as agreed at the moment it was established.

This means that the work of the JTPF would be consistent with and complement the OECD "Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations" which form the fundamental global framework for transfer pricing on the wider international scale.

The work of the JTPF should not hamper more global solutions with that particular OECD framework. Equally, the JTPF should neither interfere with, nor hamper the work undertaken in other institutional groups discussing tax matters such as the Code of Conduct Group."

JUSTICE AND HOME AFFAIRS

European Crime Prevention Network - 2003 Report

The Council took note of the European Crime Prevention Network (EUCPN) 2003 Annual Report and adopted the following conclusions:

"The European Crime Prevention Network (EUCPN) 2003 Annual Report deals, *inter alia*, with:

- an overview of institutional and organisational matters;
- the concrete development of the EUCPN, pointing out a number of concrete objectives and activities/initiatives that have been achieved during its second year of existence;
- some promising developments in the European Union Crime Prevention Policy;
- perceived needs as regards co-operation to prevent crime at EU level;
- the second EUCPN Work Programme 2003 - 2004, as approved by the EUCPN on 24 February 2003;
- prospects for the future concerning EUCPN and perceived problems encountered in the process.

The Council:

Welcomes with interest the annual report and endorses its content as set out in document 13421/04 CRIMORG 102.

Considers the content of the report as a part of the evaluation of the EUCPN as reproduced in document 13419/04 CRIMORG 100.

Refers to the council conclusions taken on the draft evaluation report in document 13420/04 CRIMORG 101."

TRADE POLICY

Anti-dumping - China - Coke of coal in pieces

The Council adopted a Regulation extending, until 15 December 2005, the suspension of the anti-dumping duty imposed by Commission Decision 2730/2000/ECSC on imports of coke of coal in pieces with a diameter larger than 80 mm originating in China (14934/04).
