



Malta-EU Steering & Action Committee

## COMPETITIVENESS AND CONSUMER AFFAIRS

Sectoral Committee  
Weekly Update  
11.06.10

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**Malta-EU Steering & Action Committee**

**COM (2010) 299 - Proposal for a COUNCIL DECISION authorising the placing on the market of products containing, consisting of, or produced from genetically modified maize MON89034xNK603 (MON-89034-3xMON-00603-6) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council.**

**COM (2010) 294 - Proposal for a COUNCIL DECISION authorising the placing on the market of products containing, consisting of, or produced from genetically modified maize Bt11xGA21 (SYN-BT011-1xMON-00021-9) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council**

These proposals concern:

- food and feed containing, consisting of or produced from genetically modified maize MON89034xNK603, for which a request for placing on the market was submitted by Monsanto Europe S.A. to the competent authority of the Netherlands on 24 January 2007, under Regulation (EC) No 1829/2003 on genetically modified food and feed;
- food and feed containing, consisting of or produced from genetically modified maize Bt11xGA21, for which a request for placing on the market was submitted by Syngenta Seeds S.A.S. to the competent authority of the United Kingdom on 31 October 2007, under Regulation (EC) No 1829/2003 on genetically modified food and feed.

The European Food Safety Authority gave a favourable opinion in accordance with Articles 6 and 18 of the Regulation (EC) for both requests. Against this background, two draft Commission Decisions were submitted to the Standing Committee on the Food Chain and Animal Health, on 19 April 2010, for vote. The Committee delivered no opinion:

With regards to the Monsanto request 11 Member States (164 votes) voted in favour, 11 Member States (116 votes) voted against, 2 Member States (17 votes) abstained and 3 Member States (48 votes) were not represented;

With regards to the request by Syngenta Seeds 11 Member States (164 votes) voted in favour, 10 Member States (87 votes) voted against, 3 Member States (46 votes) abstained and 3 Member States (48 votes) were not represented.



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Consequently, pursuant to Article 35, paragraph 2 of the Regulation and in accordance with Article 5 of Council Decision 1999/468/EC the Commission is submitting these proposals to the Council relating to the measures to be taken. The Council has three months in which to act by a qualified majority, and inform the Parliament.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0299:FIN:EN:PDF>  
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0294:FIN:EN:PDF>

**COM (2010) 298 - Proposal for a COUNCIL DECISION renewing the authorisation for continued marketing of products containing, consisting of, or produced from genetically modified maize Bt11 (SYN-BTØ11-1), authorising foods and food ingredients containing or consisting of field maize Bt11 (SYN-BTØ11-1) pursuant to Regulation (EC) No 1829/2003 and repealing Commission Decision 2004/657/EC**

This proposal concerns:

- the renewal of the authorisation for continued marketing of existing foods and food ingredients produced from genetically modified maize Bt11,
- the renewal of the authorisation for continued marketing of existing feed containing, consisting of or produced from Bt11 maize and products other than food and feed containing or consisting of Bt11 maize with the exception of cultivation
- the renewal of the authorisation for placing on the market of foods and food ingredients containing or consisting of sweet maize Bt11 which are authorised under Commission Decision 2004/657/EC; and
- the authorisation of foods and food ingredients containing or consisting of field maize which were never authorised in the EU.,

The request was submitted by Syngenta Seeds S.A.S. to the Commission on 17 April 2007, under Regulation (EC) No 1829/2003 on genetically modified food and feed.

On 17 February 2009, the European Food Safety Authority gave a favourable opinion in accordance with Articles 6 and 18 of the Regulation. It considered that Bt11 maize is as safe as its non-genetically modified counterpart with respect to potential effects on human and animal health or the environment.

Against this background, a draft Commission Decision was submitted to the Standing Committee on the Food Chain and Animal Health, on 19 April 2010, for



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vote. The Committee delivered no opinion: 12 Member States (167 votes) voted in favour, 9 Member States (84 votes) voted against, 3 Member States (46 votes) abstained and 3 Member States (48 votes) were not represented.

Consequently, pursuant to Article 35, paragraph 2 of the Regulation and in accordance with Article 5 of Council Decision 1999/468/EC the Commission is submitting this proposal to the Council relating to the measures to be taken. The Council has three months in which to act by a qualified majority, and inform the Parliament.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0298:FIN:EN:PDF>

#### COM (2010) 295 - Proposal for a COUNCIL REGULATION amending Regulation (EC) No 367/2006 imposing a definitive countervailing duty on imports of polyethylene terephthalate (PET) film originating in India

Council Regulation (EC) No 367/2006 imposed a definitive countervailing duty on imports of polyethylene terephthalate (PET) film originating in India.

On 9 September 2009, the Commission initiated a partial interim review limited to the level of subsidisation of the countervailing duty in force in respect of imports of polyethylene terephthalate (PET) film originating in India. The review was initiated because Jindal Poly Films Limited (the applicant), an exporting producer in India, provided sufficient *prima facie* evidence that the circumstances with regard to subsidisation on the basis of which measures were established have changed and that these changes are of a lasting nature.

The partial interim review investigation confirmed that (i) the level of subsidisation with regard to the concerned co-operating Indian producer has decreased; (ii) the actual modalities of the investigated schemes and their availability have not changed with respect to the previous investigation. Since it was demonstrated that the applicant will continue to receive subsidies in the future of an amount which is less than the one determined in the previous interim review investigation, the level of the measures should be amended to reflect the new findings.

Therefore, the Commission is proposing that the Council adopts this proposal so as to amend the duty rate applicable to the concerned co-operating Indian producer.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0295:FIN:EN:PDF>



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**COM (2010) 293 - Proposal for a COUNCIL IMPLEMENTING DECISION authorising Poland to introduce a special measure derogating from Article 26(1)(a) and Article 168 of Directive 2006/112/EC on the common system of value added tax**

Article 395 of Council Directive 2006/112/EC on the VAT Directive states that the Council, acting unanimously on a proposal from the Commission, may authorise any Member State to apply special measures for derogation from the provisions of that Directive, in order to simplify the procedure for collecting value added tax (VAT) or to prevent certain forms of tax evasion or avoidance.

On 16 November 2009, Poland requested authorisation to introduce a measure derogating from Articles 26(1)(a) and 168 of the VAT Directive. In accordance with Article 395(2) of the VAT Directive, the Commission informed the other Member States of the request made by Poland.

Under Article 26(1)(a) of the VAT Directive a business which uses a vehicle for private purposes should account for output tax on the private use. The vast majority of businesses, over 95%, in Poland are classified as micro enterprises, many of which are family run businesses, and so the cars owned or leased by these businesses are often used for both business and personal use. In short, the vast majority of cars owned by businesses are used for both business and personal purposes.

The Polish authorities state that it is difficult to establish, with any degree of precision, the extent to which a taxable person uses his vehicle for private use. This is the case not only for the taxable persons, but also for the tax authorities, who are required to check the extent of private use. Thus Poland is seeking a derogation to waive the taxation of private use of certain vehicles, but also to restrict the input tax deduction on the initial purchase or hire of these vehicles to 60%. This percentage has been assessed by the Polish authorities as the average proportion of time for which these types of vehicles are used for business purposes. The deduction would be up to a maximum of 6.000 PLN.

The adoption of this Decision by the Council would authorise Poland to introduce a special measure derogating from Articles 26 and 168 of the VAT Directive as regards the deduction of VAT incurred in the purchase, acquisition, import, hiring or leasing of certain vehicles.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0293:FIN:EN:PDF>



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**COM (2010) 292 - REPORT TO THE EUROPEAN SECURITIES COMMITTEE AND TO THE EUROPEAN PARLIAMENT on convergence between International Financial Reporting Standards (IFRS) and third country national Generally Accepted Accounting Principles (GAAPs)**

Since 1<sup>st</sup> January 2005, companies listed on a regulated market of any EU Member State have to use IFRS as adopted by the EU for preparing their consolidated financial statements. The Prospectus Regulation and the transparency Directive extend the requirement to produce financial reports either on the basis of IFRS or on the basis of certain third countries national accounting standards equivalent to those standards, to third country issuers making a public offer of securities in the EU and those whose securities are traded on an EU regulated market.

In December 2007, the Commission established a mechanism to determine the equivalence of Generally Accepted Accounting Principles (GAAPs). In December 2008, the Commission adopted a Decision and a Regulation, which identified as equivalent to IFRS the US GAAPs, and Japanese GAAPs, and accepted financial statements using GAAPs of China, Canada, India, South Korea within the EU on a temporary basis, until no later than 31 December 2011.

EU legislation requires the European Commission to update the European Securities Committee (ESC) and the European Parliament (EP) at regular intervals on the progress that is being made by these countries with their respective programmes. In this report, the Commission provides an update on the developments in countries that are recognised as equivalent (USA, Japan and China), on the convergence work by third countries intending to adopt IFRS (Canada, South Korea, and India), as well as developments in other third countries (Argentina, Brazil, Mexico and Taiwan) which have also recently announced their intention to adopt IFRS. In the coming years the Commission will continue to monitor the situation and assess the ongoing efforts by third countries converging to IFRS or intending to adopt IFRS, with the technical assistance of the Committee of European Securities Regulators. The Commission will continue to support the efforts of those countries which have undertaken to converge their accounting standards to IFRS and also of those countries which have undertaken to adopt IFRS.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0292:FIN:EN:PDF>



**Malta-EU Steering & Action Committee**

**COM (2010) 289 - Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL On amending Regulation (EC) No 1060/2009 on credit rating agencies**

The financial crisis has exposed important failures in financial supervision. Thus the European Commission has piloted a fundamental overhaul of financial supervision in Europe with the objective of establishing a more efficient, integrated and sustainable European system of supervision.

The key elements of the reform proposed by the Commission are :

1. Establishing a European System of Financial Supervisors (ESFS), consisting of a network of national financial supervisors working in tandem with new European Supervisory Authorities (ESAs), created by transforming the existing European supervisory committees in a European Banking Authority (EBA), a European Insurance and Occupational Pensions Authority (EIOPA), and a European Securities and Markets Authority (ESMA), and
2. Establishing a European Systemic Risk Board (ESRB), which shall monitor and assess potential threats to financial stability that arise from macro-economic developments and from developments within the financial system as a whole.

Thus the Regulation on Credit Rating Agencies (the Regulation) is to be revised in order to introduce centralised oversight of credit rating agencies (CRAs) operating in the EU. ESMA is to assume general competence in matters relating to the registration and on-going supervision of registered credit rating agencies as well as matters related to ratings issued by rating agencies established in third countries that operate in the EU under the certification or endorsement regimes. Therefore, it is necessary to replace throughout the text any reference to competent authorities in charge of the registration and supervision of credit rating agencies by a reference to ESMA. However, some specific supervisory powers related to the use of credit ratings will remain in the remit of national competent authorities.

This proposal does not introduce any changes to the Regulation concerning the substantive conditions that CRAs have to fulfil in order to be registered and later on an ongoing basis. Similarly, the conditions under which ratings issued from credit rating agencies located in third countries may be used in the Union (via the endorsement and certification mechanisms) are not subject of the proposed amendments but will remain as provided for in the Regulation.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0289:FIN:EN:PDF>