



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 5 June 2012**

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EDUC 160  
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**NOTE**

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from: General Secretariat of the Council  
to: Delegations

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Subject : Summary of the meeting of the **Committee on Industry, Research and Energy (ITRE)**, held in Brussels on 30-31 May 2012

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The meeting was chaired by Ms Sartori (chair) (EPP, IT) and Ms Toia (vice-chair) (S&D, IT).

**1. Trans-European energy infrastructure and repeal of Decision No 1364/2006/EC**

2011/0300(COD) COM(2011)0658

Rapporteur: António Fernando Correia de Campos (S&D, PT)

- Consideration of amendments

The rapporteur, Mr Correia de Campos, reminded Members about the context and objectives of the Commission's proposal and said that the 845 amendments were aimed at strengthening its EU vision. He focused on licensing, which he considered too complicated, and called for a selection procedure that would allow access to the market for all competitors.

On the projects of common interest (PCI), he underlined that the priority had to be trans-European and hoped that the Council would share this view. He also highlighted the need to finance interconnections, but without any market distortions.

During the discussion, Mr Saudargas (EPP, LT) recalled that a common infrastructure was a prerequisite for the energy internal market. Regarding the PCI, he thought that many aspects of their selection process needed be clarified. Mr Tošenovský (ECR, CZ) added that it should be transparent, simplified and should follow the subsidiarity principle. Moreover, the projects should be selected on the basis of debates with the regional groups. Ms Vălean went further and called for their compulsory submission to the regional groups for adoption.

In the context of their financing, Ms Vălean proposed deletion of Article 15 (Eligibility of projects for Union financial assistance) as she considered that this decision should be taken in the framework of the MFF/CEF (Connecting Europe Facility). Mr Saudargas and Ms del Castillo Vera (EPP, ES) disagreed with this proposal. The latter considered that the eligibility criteria had to be set independently from the final amount. Mr Vidal-Quadras (EPP, ES) reiterated that the financing should not create any market distortion, and therefore only projects with common interest were to be financed. Mr Helmer (ECR, UKL) commented that the distortion had already been created by imposing the introduction of renewables and withdrawal of nuclear energy.

With regard to the selection methods, Mr Gyürk (EPP, HU) called for objectivity and highlighted proper benchmarking, cost-benefit analysis and the criterion of feasibility. Mr Vidal-Quadras mentioned a mechanism that would make it possible to see the real costs of projects.

As to the regional groups, Mr Jadot (Greens/EFA, FR) and Mr Gyürk called for transparency and the involvement of all interested parties. The latter added that they should be able to submit investment proposals. Mr Tošenovský thought that ACER should be associated in order to improve the efficiency of the selection and decision-making process. Ms Vălean was interested in the governance of these groups and Mr Saudargas enquired about their composition.

Other issues raised were the sub-division of electricity corridors (Ms Riera Madurell (S&D, ES)), focus on electricity in investment needs (Mr Jadot) and, with Mr Vidal-Quadras' calls for a complementary position for gas, smart grids (Mr Jadot, Ms del Castillo Vera) and the granting of permits (Mr Jadot).

The rapporteur underlined that the focus was on all energy sources. He also disagreed with Ms Vălean's proposal to delete Article 15, but he did not object to its potential repetition in the CEF legislation. He agreed with the comments on smart-grids, admissibility, eligibility and simplification of the selection procedure. The regional groups needed a closer look, but he agreed with the need for transparency. He assured Ms Riera Madurell that the issue of sub-division of energy corridors would be addressed. He hoped to conclude the file at first reading, with the final vote in September 2012.

The Commission representative agreed that the PCI selection process had to be transparent. On the composition of regional groups, he said that the inclusion of all stakeholders was not possible as they should have a workable size. Concerning the granting of permits, he acknowledged the need for acceleration, but defended the proposed time limits in order to retain the right balance. In this context, he also mentioned the one-stop-shop concept. He supported the rapporteur's position on the deletion of Article 15.

Timetable:            vote in ITRE :                            19 June 2012

## **2. Report on the Energy roadmap 2050, a future with energy**

Rapporteur: Niki Tzavela (EFD, EL)

- Exchange of views

The rapporteur, Ms Tzavela, reminded Members that the Energy Roadmap 2050 explored the challenges for the competitiveness of the EU industry in the energy sector and the achievement of energy security and diversity with an emphasis on decarbonisation, as well as presenting different scenarios for 2050. She highlighted renewables, energy efficiency and energy infrastructure as the "no regrets" options, and gave details about each of them. As to the timetable, she requested a hearing on this file.

The Roadmap was generally welcomed by Members (Mr Reul (EPP, DE), Ms Van Brempt (S&D, BE)) as being of key importance to paving the way for energy legislation (Mr Vidal-Quadras (EPP, ES)) and as a tool to achieve wider EU objectives (Mr Smith (Greens/EFA, UK)). The latter also saw energy security as an integral part of national security. Ms Kolarska-Bobińska (EPP, PL) and Ms Herczog (S&D, HU) praised the long-term aspect which was important for investors. Ms Hall (ALDE, UK) pointed out that it showed that the price of decarbonisation was not more expensive than business as usual.

Members also agreed that infrastructure needed to be renewed (Mr Smith, Ms Van Brempt, Mr Vidal-Quadras). Ms Hall added that better interconnections were a key element for 2050.

With regard to the different scenarios, Ms Van Brempt underlined that they should be as sustainable as possible. Ms Jordan (EPP, SI) thought that the Roadmap did not give a balanced approach as a scenario combining delayed carbon capture and storage with a low nuclear option was missing. Ms Hall welcomed the fact that renewables were present in all scenarios and Members acknowledged their potential (Mr Reul, Ms Van Brempt). However, Mr Helmer (ECR, UK) was concerned about the security of supply, given the unpredictable nature of renewables and the lack of a backup (gas in particular). Ms Jordan also mentioned the need for more backup power. Ms Van Brempt, Mr Reul, Mr Weber (S&D, FR) spoke in favour of nuclear as part of the energy mix. Other issues were technological leadership, better use of natural resources, a rise in energy prices, a customised timetable for individual countries for decarbonisation, micro-sources of energy, shale gas and ITER fusion.

The Commission representative recalled that the aim of the Roadmap was to afford more predictability to investors and Member States. She was aware of uncertainties, although the objective was not to forecast the future, but to see what would happen in 2050 in the event of different scenarios. She also stressed that all objectives of the energy policy - competitiveness, security of supply and sustainability - were present in the Roadmap. She highlighted the need to accept energy efficiency, renewables and infrastructure as the "no regrets" options and informed Members that the next step would be to define a policy framework for 2030.

### **3. Presentation of the Proposal for a European Innovation Partnership (EIP) on raw materials**

- Exchange of views with Commission representatives

The Commission representative gave a brief overview of existing strategies for raw materials and their implementation. He explained that easy access to raw materials at an affordable price had not been achieved and underlined that innovation could provide solutions for that. He also mentioned the obstacles for innovation, in particular an insufficiently integrated approach along the value chain, a need to increase cooperation between Member States and highly fragmented EU research in this area. As a key part of Horizon 2020, he recalled that raw materials were one of societal challenges.

He informed Members about the ongoing preparatory work and gave details on the structure (high-level steering group, five operational groups, e.g. on extracting, processing and recycling, on knowledge-based infrastructure, on promotion of reuse and recycling, etc).

He hoped that the Council would endorse the partnership in its conclusions in December 2012.

Members discussed various issues, such as the duration of the EIP, its relationship with the Horizon 2020 and Knowledge and Innovation Communities (KICs); innovation both in terms of technologies and business models; material engineering; substitution and market for secondary raw materials, efficiency and sustainability; and the external element of the EIP.

The Commission representative explained that the EIP and the KICs were complementary - EIP as an innovation partnership and KICs working on innovation skills. He recalled that the operational groups had both a technological and non-technological focus, and highlighted the issues of standardisation and product certification. He regarded the international element as essential for research priorities and mentioned trilateral works with the US and Japan. On duration, he said that the end date for the EIP had not been set.

#### **4. Safety of offshore oil and gas prospection, exploration and production activities**

2011/0309(COD) COM(2011)0688

Rapporteur: Ivo Belet (EPP, BE)

Opinions: BUDG, EMPL, ENVI, JURI

- Exchange of views

The rapporteur, Mr Belet, informed Members about possible delays in the timetable due to problems in the ENVI Committee, with the vote in ITRE scheduled for 9 October 2012. He added that the Council had progressed on this issue. The Danish Presidency planned to issue a progress report on 15 June 2012 and the Cypriots were willing to start the trialogue negotiations. He gave a brief overview of the context of the proposal and its main objectives - to prevent major accidents from occurring and to have an emergency response plan ready. He highlighted in particular the licensing procedure, obligatory emergency planning and liability of companies for environmental damage. He also raised the issue of a proposed legal instrument (regulation). On the one hand, he said that the Commission had chosen a regulation to create a level playing field and to guarantee a harmonised approach.

On the other hand, stakeholders feared that it would create legal uncertainty and were afraid that some advanced regimes at national level (UK, DK, NOR) would need to be dismantled to bring them into line with the direct effect of the regulation. He also mentioned the recent accident at the Elgin platform in the North Sea, operated by Total.

During the discussion, Members agreed that the highest safety standards needed to be in place to prevent environmental impact as much as possible. However, they were divided on the legal instrument. UK Members in particular considered that the regulation was burdensome for countries with an already established regime (Ms Hall (ALDE, UK)) and costly and timely to implement (Ms Ford (ECR, UK)).

On the contrary, Ms Rivasi (Greens/EFA, FR) was in favour, as she found it more operational. Mr Vidal-Quadras (EPP, ES) advocated a legal certainty. He said that the immediate effect of the regulation was an advantage, but acknowledged that it would force Member States with advanced legislation to introduce some adjustments. Ms Del Castillo Vera (EPP, ES) called for a focus on the content, the issue of the legal instrument could be dealt with at a later stage.

The other issues mentioned were a need for improvement of information sharing (Ms Hall, Ms Ford), EU companies applying same safety standards and environmental protection overseas and the ability to lodge complaints in the EU (Ms Hall, Ms Rivasi), financial liability of companies for environmental damage (Ms Rivasi) and the lack of an insurance market to cover it (Ms Ford), emergency response plans for the Arctic region (Ms Hall) and the role of the EMSA (European Maritime Safety Agency).

The Commission representative underlined that the goal was to achieve the highest degree of security, without any intention to disrupt mechanisms already in operation. He clarified that not everything in operation would need to be repealed with the new regulation, only amended. On the arguments that the implementation of regulation would be difficult, he said that no substantiated argument could prove this claim. Similarly, there were criticisms of the method used for the impact assessment, although there was nothing concrete that would invalidate the Commission's data and the chosen approach. In the context of the accident on the Elgin platform, he underlined that the legislation should not fail to foresee the eventuality of both health and environmental risk.

The rapporteur agreed with Ms Del Castillo Vera that the issue of the legal instrument should not paralyse work on the content of the proposal. Given the already existing high standards, he underlined the need for sufficient flexibility to respect that.

Timetable: presentation of the draft report : 11 July 2012

**5. Social Business Initiative - Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation**

2012/2004(INI) COM(2011)0682

Rapporteur for the opinion: Bogdan Kazimierz Marcinkiewicz (EPP, PL)

Responsible: EMPL

- Consideration of draft opinion

Ms Hibner (EPP, PL), on behalf of the rapporteur, welcomed the Commission's proposal, but believed that it placed greater emphasis on the economic dimension of these enterprises rather than on the social aspect. She underlined the need to extend their access to financing and simplification of their accounting principles. She also pointed to the lack of knowledge when it came to establishing and managing such enterprises, and to awareness problems or stereotypes.

Members also commented on the greater emphasis on the economic aspects, whereas the creation of welfare was in the background. They stressed that the social enterprises needed access to financial instruments and training, they assessed their chances in the field of public procurement and highlighted the important role they played in terms of innovation. They mentioned as well good practices in social entrepreneurship, awareness raising and the elderly as the potential main "customers" of social enterprises.

Given both the economic and social aspect of social enterprises, the Commission representative underlined that they proposed an economic model which was sustainable, long-term and suitable in the event of a crisis. He highlighted their contribution to social innovation and the knock-on and leverage effect on growth.

Timetable: deadline for amendments: 31 May 2012, 12:00

vote in ITRE: 19 June 2012

**6. 'ERASMUS FOR ALL' - The Union Programme for Education, Training, Youth and Sport**

2011/0371(COD) COM(2011)0788

Rapporteur for the opinion: Silvia-Adriana Țicău (S&D, RO)

Responsible: CULT

- Consideration of draft opinion

The rapporteur, Ms Țicău, gave a brief overview of the Commission's proposal, including its budgetary allocations. She focused on the simplification, the inclusion of industrial policies among the programme's policies, NGOs' access to the programme, the use of IT to facilitate access for those with difficulties, eligibility of postgraduate students for loan guarantees, performance criteria assessed via delegated acts and the elimination from the allocation criteria regarding funding.

Members expressed concerns about vocational training and (adult) education, including life-long learning (Ms Ford (ECR, UK), Ms Gutiérrez-Cortines (EPP, ES)) and the limit of 35 years in this context (Mr Johansson (ALDE, DE)). Ms Ford also underlined the need to ensure that the programme delivered skills in the most effective way and pointed out that 40% of the proposed budget had not been allocated. Ms Gutiérrez-Cortines did not agree with the change to the programme's name.

Ms Țicău disagreed with Ms Ford's statement about the unallocated budget. Regarding the name, she said that Erasmus was well known and supported the extension of the programme's scope under the name of Erasmus, as a synonym for excellence. As to the age of 35 years, she explained that it meant that the programme was not dedicated only to young people. By way of conclusion, she underlined the need to ensure the successful implementation of the programme.

Timetable: deadline for amendments: 5 June 2012, 12:00

## **7. Visit by Androulla Vassiliou, Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth on the European Institute of Innovation and Technology (EIT)**

Given its experimental budget, Ms Vassiliou underlined that the EIT was a successful experiment with the potential to change the mindset to a more entrepreneurial culture, having an effect on EU's reaction to respond to the crisis and to adapt to societal challenges. She was convinced that the EIT could overcome the EU paradox whereby an excellent research base and dynamic industries were seldom able to turn ideas into products or bring them to the market in a commercially viable way. In order to deliver on a larger scale and make changes to EU innovation, she endorsed EIT's proposed role in Horizon 2020, with a strengthened budget and six additional Knowledge and Innovation Communities (KICs). She also raised some political issues, including the budget needed to boost the EU growth and innovation; funding that had to reflect results (with the second tranche of budget granted based on a mid-term evaluation); number of KICs to be launched; and the capacity of the EIT to act as a spearhead.

Ms Vassiliou also highlighted the attractiveness of the EIT for SMEs, the flexibility of management according to the evolution of needs, synergies encouraged across all instruments and stages of the programme cycle and the Marie Curie actions as a central element of establishment of the European Research Area (ERA).

During the subsequent discussion, Members raised various issues. Ms Riera Madurell (S&D, ES) and Ms Matias (GUE/NGL, PT) thought that the proposed budget was not sufficient and that there was a need to attract private funding as well. On the other hand, Ms Ford (ECR, UK) considered that the increase was significant and she demanded transparency that the added value was being delivered. She was also interested to know whether a KIC would be stopped after a negative mid-term review. In the context of KICs in particular, Ms Matias, Ms Gutiérrez-Cortines (EPP, ES) and Mr van Nistelrooij (EPP, NL) called for greater flexibility. Ms Merkies (S&D, NL) asked how the SMEs could be included in KICs and thought that smaller KICs should also be established.

Members also focused on the issue of education and training. Ms Carvalho (EPP, PT) pointed out that the biggest barrier for the EU industry was a lack of well trained staff and believed that the EIT could produce well-trained people to fulfil these requirements. Ms Matias and Ms Riera Madurell thought it should play a fundamental role in training efforts and that it had to be better integrated and coordinated with the Marie Curie actions. Ms Gutiérrez-Cortines thought that the education aspect was missing from Horizon 2020 and the EIT. Some Members enquired about possible overlaps with Marie Curie actions and Erasmus for all. Mr Helmer (ECR, UK) was interested to find out what the EIT's added value in education was compared to existing establishments.

Ms Vassiliou reiterated that the EIT was a good concept which could be even more successful with adequate support. She recalled that to make a tool known, appropriate funding and awareness raising were necessary. She agreed with expanding its concept to a pan-European level, as only then could the EIT compete worldwide. On the excessive budget, she recalled the experimental period of the EIT with a low budget, with concrete evidence of what the three KICs had achieved. She also reminded Members that each activity had a monitoring system of four levels to ensure an effective use of funding. Answering the query of Ms Ford, she confirmed that if the mid-term review did not prove the added value, the KIC would be stopped. Ms Vassiliou also said that the KICs and the EIT worked efficiently with the Marie Curie actions and that the scholarships were co-financed by the EIT partners.

As to the difference between national degrees and what the EIT was offering, she explained that the EIT provided high-quality education combined with entrepreneurship education, together with mentoring and traineeship as an integral part.

## **8. Protection of individuals with regard to the processing of personal data, and the free movement of such data (General Data Protection Regulation)**

2012/0011(COD) COM(2012)0011

Rapporteur for the opinion: Seán Kelly (EPP, IE)

Responsible: LIBE

- First exchange of views and impact assessment

The chair informed Members that the LIBE Committee had declined ITRE's request for rule 50 (Procedure with associated committees) in dealing with this proposal and that the Conference of Committee Chairs was currently assessing it.

The rapporteur, Mr Kelly, gave a brief overview of the background and context of the proposal. He highlighted the need to build trust in the online environment as a crucial element for economic development. His priority was to ensure that the final text contained an adequate balance between fundamental rights and the need for a level playing field for businesses. On the content, he highlighted the horizontal issue of SMEs and possible unintended consequences and information society and information technologies. He also raised the issue of the Commission's impact assessment, pointed to some inadequacies (e.g. the exclusion of financial sector) and considered that the EP should conduct its own. His objective was to finish work on this proposal by the end of the EP's mandate. As to the substance, Mr Albrecht (Greens/EFA, DE), rapporteur in LIBE, agreed with all points. He also hoped that work on this file could be completed before the end of the EP's mandate and informed Members that he would cooperate jointly with all Committees for opinion, also in the trilogue negotiations.

Given the need for EU-wide uniform data protection conditions, Members welcomed the Commission's proposal. They also underscored the importance of striking a balance between a high level of data protection and the impact on the industry. In this context, Ms Ulvskog (S&D, SE) and Ms Andersdotter (Greens/EFA) pointed out the specific situation of register-based medical research, related to the personal consent and deletion of data proposals. Ms Niebler (EPP, DE) mentioned a possible problem of full harmonisation not being compatible with German constitutional law and thought that the opinion of the EP's legal service might be useful. Other issues raised were the potential of cloud computing (Mr Enciu (S&D, RO) on behalf of Ms Țicău (S&D, RO)) and companies leaving the EU due to too-stringent rules and subsequent data leakage (Ms Niebler).

The representative of the Commission considered that the proposal already covered many aspects raised by Members, such as the elements for register-based research and providing the balance between the interests of individual to guarantee data protection and not imposing excessive administrative burdens on companies.

Mr Kelly reiterated the need for a balanced regulation and agreed that the rules should not hinder medical research. He thought that the EP's impact assessment should be conducted as soon as possible and informed Members that a hearing would probably take place.

\*\*\* *Electronic vote* \*\*\*

**9. Common provisions on European Funds and repealing Regulation (EC) No 1083/2006**

2011/0276(COD) COM(2011)0615  
Rapporteur: Patrizia Toia (S&D, IT)  
Responsible: REGI

**10. Cohesion Fund (CF) and repeal of Council Regulation (EC) No 1084/2006**

2011/0274(COD) COM(2011)0612  
Rapporteur: Patrizia Toia (S&D, IT)  
Responsible: REGI

**11. Specific provisions concerning the European Regional Development Fund (ERDF) and the 'Investment for growth and jobs' goal and repeal of Regulation (EC) No 1080/2006**

2011/0275(COD) COM(2011)0614  
Rapporteur: Patrizia Toia (S&D, IT)  
Responsible: REGI

The vote on three draft opinions was postponed.

**12. Markets in financial instruments and amendment of the EMIR Regulation on OTC derivatives, central counterparties and trade repositories**

2011/0296(COD) COM(2011)0652  
Rapporteur: Holger Krahmer (ALDE, DE)  
Responsible : ECON

The draft opinion was adopted as amended (46 for, 1 against, 3 abstentions).

**13. Markets in financial instruments, and repeal of Directive 2004/39/EC (recast)**

2011/0298(COD) COM(2011)0656  
Rapporteur: Holger Krahmer (ALDE, DE)  
Responsible: ECON

The draft opinion was adopted as amended (50 for, 1 against, 2 abstentions).

**14. 2013 Budget - Mandate for Trilogue**

2012/2016(BUD)

Rapporteur: Reinhard Bütikofer (Greens/EFA, DE)

Responsible: BUDG

The draft opinion was adopted as amended (50 for, 0 against, 7 abstentions).

**15. Creative Europe Programme**

2011/0370(COD) COM(2011)0785

Rapporteur for the opinion: Silvia-Adriana Țicău (S&D, RO)

Responsible: CULT

The draft opinion was adopted as amended (54 for, 0 against, 0 abstentions).

**16. Anti-Counterfeiting Trade Agreement between the EU and its Member States, Australia, Canada, Japan, the Republic of Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the USA**

2011/0167(NLE)

Rapporteur: Amelia Andersdotter (Greens/EFA, SE)

Responsible: INTA

The draft opinion was adopted as amended (31 for, 25 against, 0 abstentions).

**17. Establishment of a Programme for the Environment and Climate Action (LIFE)**

2011/0428(COD) COM(2011)0874

Rapporteur for the opinion: Gaston Franco (EPP, FR)

Responsible: ENVI

The draft opinion was adopted as amended (53 for, 1 against, 1 abstention).

**18. Establishing a European Neighbourhood Instrument**

2011/0405(COD) COM(2011)0839

Rapporteur: Konrad Szymański (ECR, PL)

Responsible: AFET

The draft opinion was adopted as amended (41 for, 1 against, 6 abstentions).

*\*\*\* End of electronic vote\*\*\**

**19. Public procurement**

2011/0438(COD) COM(2011)0896

Rapporteur for the opinion: András Gyürk (EPP, HU)

Responsible: IMCO

- Consideration of draft opinion

The rapporteur, Mr Gyürk, recalled the main objectives of the Commission's proposal and briefly presented his draft report, which focused on SMEs (their access to the procedures and e-procurement), greening of markets and development of proper public procurement culture (need for more stringent control of implementation, possibility of sanctions, etc).

Members focused mainly on the principle of reciprocity. Mr Balčytis (S&D, LT) considered that the EU market should be protected from third countries which did not provide the same opportunities for EU companies. Mr Weber (S&D, FR) called on them to open up their markets. Ms Grossetête (EPP, FR) added that if not respected, the EU companies should be prioritised on the domestic market. Mr Audy (EPP, FR) suggested a compromise amendment, calling for a reciprocity clause to be included in the draft legislation. Members disagreed with the Commission representative, who said that it should be left for the WTO to deal with this issue (Mr Audy, Mr Weber, Mr Langen (EPP, DE)).

Members also highlighted e-procurement as an essential element for the smooth functioning of the market (Mr Rohde (ALDE, DK), Mr Vidal-Quadras (EPP, ES), Mr Balčytis), even though the latter said that its potential could be fully exploited only if applicable in all Member States for all public procurements. Others supported life-cycle costs as a selection criterion (Mr Balčytis, Ms Ford, Mr Rohde). Mr Rohde stressed that the life-cycle dimension should be compulsory, in particular in the building sector.

Members also mentioned the provisions on support for SMEs (Ms Hassi (Greens/EFA, FI), Ms Ford (ECR, UK), Ms Grossetête, Mr Audy, Mr Rübzig (EPP, AT)), innovation (Ms Ford, Mr Weber, Ms Mazej Kukovič (EPP, SI)), energy efficiency (Ms Hassi, Ms Ford) and green procurement (Mr Balčytis).

Concerning green procurement, the Commission representative explained that the Commission could not impose any figures or oblige administrations to follow any specific quota. It could only present instruments to allow administrations to take into account this type of procurement and propose provisions to motivate Member States to create specific national expertise centres helping authorities if they decided to acquire "green" products. On reciprocity, he mentioned a recently proposed specific instrument in the framework of the WTO and did not think that it should be included in the debated legislation.

Timetable: deadline for amendments : 6 June 2012, 12:00

**20. Procurement by entities operating in the water, energy, transport and postal services sectors**

2011/0439(COD) COM(2011)0895

Rapporteur for the opinion: Zigmantas Balčytis (S&D, LT)

Responsible: IMCO

- Consideration of draft opinion

The rapporteur, Mr Balčytis, welcomed the Commission's proposal and gave a brief overview of its main elements. On the introduction of e-procurement in particular, he thought that a 2-year deadline was too short and proposed its extension. He also highlighted the social aspect, innovative procurement and the SMEs, which needed full implementation of e-procurement by all Member States.

Members focused mainly on SMEs and the awarding of cross-border contracts (Mr Langen (EPP, DE), notification time limit and threshold values (Mr Langen); the criterion of lowest cost (Mr Langen) and mandatory application of life-cycle costs (Ms Hall (ALDE, UK)); energy efficiency (Ms Hall) and e-procurement (Ms Hall).

On SMEs and cross-border public procurement, the Commission representative explained that even if the percentage (3%) seemed low, the indirect participation of SMEs as part of the subcontracting chain should also be considered. Concerning 2 years for the e-procurement, he informed Members that the contracting authorities had powers to set longer deadlines.

Given the significant competition challenges in these sectors, the rapporteur concluded by encouraging the Commission to defend the EU market against third countries that did not have the same high standards.

Timetable: deadline for amendments : 6 June 2012, 12:00

**21. Presentation of the study "Promotion of Innovation on the Internet and Citizens' Right to Privacy"**

Not covered.

**22. Visit of Alberto Pototschnig, Director of ACER (Agency for the Cooperation of Energy Regulators)**

Mr Pototschnig informed Members that the agency was now fully operational. He gave an overview of its current activities, including REMIT (Regulation on Energy Market Integrity and Transparency), opinions on the 10-year EU-wide network development plans, framework guidelines and network codes, NRA (national energy regulatory authorities) support and coordination and market monitoring. He gave details about the framework guidelines issued for electricity and gas markets, the timetable for the implementation of REMIT, as well as other regulatory activities. He also presented the activities planned for 2012-2013. In this context, he highlighted the challenge of a budgetary gap of EUR 3 million for 2013, mainly needed for REMIT-related ICT development. According to him, the Commission recognised the need for additional funding, and two possibilities had been explored so far: an internal transfer and an additional request to the Budgetary Authorities.

Members focused on the budgetary problem, liberalisation of energy markets, REMIT, exchange of information in energy matters, the state of play of the problems related to the gas system and the wind energy and hydro power as backup.

Regarding the budget, Mr Pototschnig did not know what option would be chosen, but would welcome the EP's support if the Budgetary Authorities were to be involved. He reminded Members that the objective of the internal market was to integrate national markets both in terms of infrastructure and rules, with the removal of energy islands by 2015. Concerning REMIT, it was already applicable, but the collection of data was not possible until the facilities were available. Therefore it was not possible to assess how the markets were performing. Mr Pototschnig announced that the first ACER annual report would be available on 15 June 2012 and that he would present the ACER work programme for 2013 in July in the EP.

**Dates of the next meeting :**

- 18 June 2012, 15.00 – 18.30 (Brussels)
- 19 June 2012, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)