



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 27 September 2013**

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**PE 422  
ENER 438  
ENV 866  
IND 263  
MI 809  
RECH 425  
COMPET 684  
ESPACE 72  
BUDGET 50  
TRANS 495  
TELECOM 248**

**NOTE**

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from: General Secretariat of the Council  
to: Delegations

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Subject: Summary record of the meeting of the **Committee on Industry, Research and Energy (ITRE)**, held in Brussels on 25 - 26 September 2013

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

**1. Action Plan for a competitive and sustainable steel industry in Europe**

ITRE/7/13720, 2013/2177(INI), COM(2013)0407  
Rapporteur: András Gyürk (EPP, HU)  
Opinions: INTA, EMPL, ENVI, IMCO, REGI

The rapporteur highlighted the importance of the EU steel industry for the car industry and engineering sectors, etc. He pointed out that its vulnerability was caused by global oversupply and that the sector was additionally disadvantaged by high energy prices, EU environmental protection rules and international trade restrictions. In terms of research and development and funding of

innovation, he pointed out that EU production had already reached the limits of what was technologically possible.

All Members welcomed the proposal, as they saw the steel industry as a key sector for the EU. They mostly agreed with the challenges identified by the rapporteur – high energy prices, environmental rules and unfair competition – (Ms Andrés Barrea (S&D, ES), Mr Szymański (ECR, PL), Mr Gierek (S&D, PL), Mr Mészáros (EPP, SK), Mr Goebbels (S&D, LU), Mr Creutzmann (ALDE, DE)), Ms Niebler (EPP, DE), Mr Rubig (EPP, AT), Mr Brezina (EPP, CZ) and Ms Trautmann (S&D, FR)) and wanted them to be addressed. Mr Lange (S&D, DE) added falling demand to the list.

In particular, Mr Reul (EPP, DE) considered that the right decisions had to be taken if the EU wanted to be pro-industrial. If the burdens on the industry were kept, it would not be surprising if it had problems. He suggested cutting or at least not increasing charges and keeping the special rules that already existed for the industry. Mr Mészáros also saw a need for exceptions for the steel industry in the context of national state aid to keep producers and jobs on the EU market. Mr Creutzmann and Ms Niebler warned that if production was not kept in the EU, there would be no research. Mr Szymański reiterated that the regulatory framework was not industry friendly, with energy prices set in Brussels, environmentally friendly policy having nothing to do with the sector and climate policies being expensive and unstable. Moreover, the ETS rules were changing and limits on free allowances were damaging the sector. Mr Gierek added that the ETS would not help the climate, but was sure to put an end to industry in Europe. Mr Goebbels pointed out that environmental charges were not paid elsewhere, and were forcing the steel industry to invest outside the EU. He called for a stop to overloading the industry with regulation at the expense of its competitiveness. Mr Hénin (GUE/NGL, FR) did not think that the industry faced extensive charges, but it suffered from unfair international competition. Mr Gierek also raised the issue of recycling and warned about basing the EU steel industry on it, as the copper content in scrap was rising, which would make the car industry unable to use the material. Other issues were carbon leakage, retraining and adaptation of workers and coupling energy research with steel research and production.



Given the upcoming European elections, the Members were not satisfied with the late arrival of the proposal. The EPP, S&D and Greens/EFA groups saw difficulties in reaching an agreement before the end of the current legislature. Ms del Castillo Vera (EPP, ES) underlined that the Parliament had to have a position on the entire package. Concerning roaming in particular, Ms Riera Madurell (S&D, ES) reminded Members that S&D was the only group that had already supported the abolition of roaming under the Roaming III regulation and hoped that other groups would change their views this time. Mr Lamberts (Greens/EFA, FR) also recalled the difficulty of reaching a majority and pointed out that his group had already supported abolition last time. Regarding the passport, Ms Trautmann (S&D, FR) was concerned about "similar" rights and obligations and was interested in the conditions under which the Commission's veto would apply. She found the concept of "similarity" too vague and inquired how the Commission would intervene while respecting the principle of subsidiarity. In this context, Mr Audy noted that there was no principle of reciprocity vis-à-vis providers from third countries. Members also raised the issue of connectivity, in particular the lack of rural interconnections and the increasing digital divide (Mr Audy (EPP, FR) and Ms Herczog (S&D, HU)) and the need to complete the single telecommunications market as soon as possible (Mr Hökmark (EPP, SE)). Other issues mentioned were the cloud and the related Commission economic analysis, that was short on the value of data and connections, a lack of strategic vision for deploying fibre in the EU, a lack of proper consultation on the package and a suggestion for an investment fund fed by levies on consumption in the telecommunications sector, serving to finance the deployment of infrastructure.

The Council representative informed Members that the package was already under discussion and that the Council was aware of the complexity of the proposal. He agreed that it would take time to engage in the discussion, as the Member States were also indicating that they would need time to make progress. He promised to try to achieve progress, but it would be at its own pace, as all matters had to be considered properly. The upcoming European Council in October would debate the issue and he hoped that the heads of state would provide guidance on this issue. He could not comment more, nor forecast the outcome in months to come.

Concerning the timetable, Mr Viola said that the Commission was not imposing any timetable for approval, it was up to the Council and the Parliament to decide. He said that the markets had reacted positively to the proposal, but were not very enthusiastic about the consumer's part. He disagreed that stakeholders had not been consulted on the proposal, as there had been extensive discussion with them on parts of the proposal over the last two years. He underlined that the proposal was not about consolidation, as it could not change competition law, but was creating an environment that would enable companies to invest in another Member State, if they so wished. Regarding funding, with the CEF reduced, the structural funds had to be used, but most of the financial burden of deploying infrastructure would fall on the private sector. He could not comment on the reaction of national regulators to the proposal for a permanent chair of BEREC, as he was only travelling to Riga that day. He assured Members that the Commission, including Commissioner Kroes, was available to provide them with any support and information.

Timetable: hearing: 5 November 2013

### **3. Disclosure of non-financial and diversity information by certain large companies and groups**

ITRE/7/12731, 2013/0110(COD), COM(2013)0207

Rapporteur for the opinion: Bendt Bendtsen (EPP, DK)

Responsible: JURI

The rapporteur was satisfied with the Commission proposal as it promoted transparency and comparability, which was essential for consumers. He considered that the disclosure of corporate social responsibility (CSR) strategy by companies should be business-driven and complementary to their business strategy. He also suggested removing the concept of a "national framework" in the context of addressing the fragmentation of the regulatory framework.

With regard to CSR, Mr Lange (S&D, DE) considered that the conduct of EU companies had to correspond to EU values. He agreed with the rapporteur that the EU-based criteria for reporting took the right approach. He went even further and suggested meeting the OECD guidelines. He disagreed with the rapporteur on the issue of companies not being obliged to provide an explanation if their obligations / commitments were not met. Mr Creutzmann (ALDE, DE) called for the





challenges and emphasised its role in relation to EU competitiveness. He briefly presented EURAMET, the existing European Metrology Research Programme (EMPR), including the number of projects and their financing, and the new EMPIR. Concerning the latter, 28 countries would participate and he hoped that the number would increase. It was an Article 185 initiative, with a duration of ten years and funding of EUR 600 million. EUR 90 million of the Commission's contribution were reserved for non-metrology institutions. Member States were to pay for and take over programme implementation. The proposed modules for EMPIR were science, innovation, pre-normative research, capacity building and programme implementation and management.

Ms Herczog (S&D, HU) deplored Members' poor attendance. She inquired about the possibility of involving citizens in measurements, without losing their accuracy. On an unrelated point, she reiterated that the Parliament would not vote on the MFF unless the Council met its commitment – frontloading budget lines that were part of crisis management, such as research.

## **7. Implementation report 2013: Developing and applying carbon capture and storage technology in Europe**

ITRE/7/13221, 2013/2079(INI)

Rapporteur for the opinion: Vicky Ford (ECR, UK)

Responsible: ENVI

The rapporteur saw room for possible compromises on some issues. Regarding the amendments on the high costs of CCS, she believed that it was not always an expensive technology and in some cases might be cheaper than renewables and nuclear infrastructure. She was concerned about undermining the technology and called for a strong statement about the technology neutral target. She was not very keen on supporting amendments calling for industry using the CO<sub>2</sub> to be encouraged, as it was not a hugely useful commodity. Consequently, there was a need to find a solution for what to do with the CO<sub>2</sub>.

Referring to some anti-CCS amendments of the S&D group Members, Ms Herczog (S&D, HU), on behalf of the group, assured the rapporteur that the group position was pro-CCS. In addition, development needed to be fast, as the EU was using more and more coal. For the same reason, Mr Vidal-Quadras (EPP, ES) also thought that it should be explored. He shared concerns about its possible impact on energy prices, but these were already affected by ambitious EU targets for green-house gas emissions reductions and renewables. CCS's chance of becoming a real instrument depended on its cost. He also underlined that the research should focus not only on finding the technology, but also exploring possible uses of CO<sub>2</sub> once it was captured.



Members broadly welcomed the proposal and stressed the enormous potential of smart grids. They highlighted as well the importance of research and innovation, including the inclusion of regional clusters, and new technologies. They agreed that renewables could not be properly integrated without the development of smart distribution network grids for energy. They also underlined the benefit that it was bringing to consumers by empowering them to manage their energy consumption and production and agreed that the costs should not be borne by them. They also addressed the problem of ageing infrastructure, price vulnerability in the electricity sector, network capacities and standardisation.

The Commission representative expressed his satisfaction with the degree of consensus. He highlighted the issue of data protection and advocated the protection of consumer primacy as such. He also highlighted the interlink between smart grids and the internal energy market, which had not been mentioned. With regard to the financial burden, he would prefer to speak of a net burden, to avoid opting for a cheaper solution just to save money. Regarding the role of local political initiatives, he informed Members about the EU's Covenant of Mayors initiative. He also supported calls for standardisation.

The rapporteur was also satisfied with the apparent consensus between the groups and the Commission. She reiterated the importance of innovation, benefits for consumers, data protection and multiple sources of funding to promote smart grids. She hoped the issue would be brought to a close under the current legislature.

Timetable:            deadline for amendments:    4 November 2013

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

**10. Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (2014 - 2020)**

ITRE/7/08064, 2011/0394(COD), COM(2011)0834

Rapporteur: Jürgen Creutzmann (ADLE, DE)

Opinions: BUDG, ECON, EMPL, IMCO, TRAN, FEMM

The compromise text as agreed by the Council was adopted (44 for, 1 against, 2 abstentions).

**11. Establishment of Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020)**

ITRE/7/08101, 2011/0401(COD), COM(2011)0809

Rapporteur: Teresa Riera Madurell (S&D, ES)

Opinions: AFET, DEVE, BUDG, EMPL, ENVI, TRAN, REGI, AGRI, PECH, CULT, JURI, FEMM

The compromise text as agreed by the Council was adopted (46 for, 0 against, 0 abstentions).

**12. Specific Programme Implementing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020)**

ITRE/7/08080, 2011/0402(CNS), COM(2011)0811

Rapporteur: Maria Da Graça Carvalho (EPP, PT)

Opinions: AFET, BUDG, EMPL, ENVI, TRAN, AGRI, CULT, JURI

The compromise text as agreed by the Council was adopted (48 for, 0 against, 0 abstentions).

**13. Rules for the participation and dissemination in 'Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020)'**

ITRE/7/08098, 2011/0399(COD), COM(2011)0810

Rapporteur: Christian Ehler (EPP, DE)

Opinions: AFET, DEVE, BUDG

The compromise text as agreed by the Council was adopted (43 for, 2 against, 2 abstentions).

**14. Amendment of Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology**

ITRE/7/08123, 2011/0384(COD), COM(2011)0817

Rapporteur: Philippe Lamberts (Greens/EFA, BE)

Opinions: BUDG, EMPL, CULT, JURI

The compromise text as agreed by the Council was adopted (46 for, 0 against, 3 abstentions).

**15. Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT): the contribution of the EIT to a more innovative Europe**

ITRE/7/08116, 2011/0387(COD), COM(2011)0822

Rapporteur: Marisa Matias (GUE/NGL, PT)

Opinions: BUDG, EMPL, ENVI, AGRI, CULT, JURI

The compromise text as agreed by the Council was adopted (46 for, 0 against, 3 abstentions).

**16. Delegated Regulation supplementing Regulation (EU) No 911/2010 on the European Earth monitoring programme (GMES) by establishing registration and licensing conditions**

ITRE/7/13364, 2013/2731(DEA)

The draft motion for resolution was rejected (20 for, 24 against, 3 abstentions).

**17. Implementation Report on the regulatory framework for electronic communications**

ITRE/7/12552, 2013/2080(INI)  
Rapporteur: Catherine Trautmann (S&D, FR)  
Opinions: IMCO

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

**18. Notification to the Commission of investment projects in energy infrastructure within the European Union and replacement of Council Regulation (EU, Euratom) No 617/2010**

ITRE/7/12274, 2013/0082(COD), COM(2013)0153  
Rapporteur: Adina-Ioana Vălean (ADLE, RO)  
Opinions: ENVI, LIBE

The legislative resolution was adopted (44 for, 3 against, 3 abstentions).

**19. Consumer product safety**

ITRE/7/11989, 2013/0049(COD), COM(2013)0078  
Rapporteur for the opinion: Patrizia Toia (S&D, IT)  
Responsible: IMCO

The draft opinion was adopted as amended (37 for, 14 against, 0 abstentions).

**20. Deployment of alternative fuels infrastructure**

ITRE/7/11746, 2013/0012(COD), COM(2013)0018  
Rapporteur for the opinion: Niki Tzavela (EFD, EL)  
Responsible: TRAN

The draft opinion was adopted as amended (42 for, 2 against, 1 abstentions).

**21. General budget of the European Union for the financial year 2014 - all sections**

ITRE/7/13264, 013/2145(BUD)  
Rapporteur for the opinion: Reinhard Bütikofer (Greens/EFA, DE)  
Responsible: BUDG

The justification for the opinion on budget lines was adopted (42 for, 0 against, 4 abstentions).

**22. 2013 UN Climate Change Conference - COP 19 / MOP 9 (11-22 November 2013)**

ITRE/7/13060  
Rapporteur: Jolanta Emilia Hibner (EPP, PL)

The draft motion for resolution was adopted (38 for, 0 against, 5 abstentions).

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

**23. The European Defence Technological and Industrial Base**

ITRE/7/13067, 2013/2125(INI), COM(2013)0542

Rapporteur for the opinion: Jean-Pierre Audy (EPP, FR)

Responsible: AFET

The rapporteur pointed out that the proposal dealt with the industrial aspects of the defence industry. With decreasing national defence budgets, he considered that it was time to pool some aspects and review the defence market in order to avoid fragmentation. He had decided not to address financial issues in the report (as agreed with the shadows) and advised Mr Gahler (EPP, DE), the rapporteur in AFET, to do the same. He went through the amendments and envisaged several compromises (i.e. on paragraphs one, three and four). He highlighted in particular the recommendation to the European Council to provide top level political support for the European defence technological and industrial base. Concerning cooperation and pooling opportunities, he considered that the European Defence Agency was underused and was available for Member States to help them to come up with more focused public policies. He also welcomed the suggestion of Mr Gierek (S&D, PL) for a security and defence institute to be set up at the Joint Research Centre.

Members fully agreed with the rapporteur's recommendations. With the U.S. shifting its priorities to the Far East, Mr Gierek saw a need for Europe to provide its own defence, as the EU could not remain without protection. He called for the modernisation and modification of defence equipment, the harmonisation of defence industries (with the support of Ms Vălean (ALDE, RO)) and the introduction of common types of equipment. The institute could work on new technologies and an anti-missile shield. Ms Vălean emphasised strategic autonomy without discouraging cooperation and enhancing the exchange of know-how. She also called for increased mutual transparency in defence planning and increased investment in this field. Mr Prodi (S&D, IT) thought, as in the previous discussion, that the defence industry could not be tackled without having a proper common defence policy. He also raised the issue of dual-use of products and, together with Mr Chichester (ECR, UK), the issue of cyber warfare.

The rapporteur agreed that with the decrease in national defence budgets, countries might end up unable to defend themselves. It was also the right time to think about EU independence. Against the PRISM background, he highlighted Galileo, as he saw it as important that the EU had its own signal. He concluded by expressing satisfaction about the degree of consensus on the industrial base and scientific research.

Timetable:            vote in ITRE:                            7 October 2013

### **Next meeting**

- 7 October 2013, 19.00 – 21.30 (Strasbourg)
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