



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from : the General Secretariat of the Council
to : Delegations

Subject : Draft (ECOFIN) Council Conclusions on national contributions to the European Initiative for Growth

Delegations will find attached draft (ECOFIN) Council Conclusions on national contributions to the European Initiative for Growth.

The text has been agreed at the level of the Economic and Financial Committee and the Economic Policy Committee.

Annex

Draft Council conclusions
on national contributions to the European Initiative for Growth

In March 2004, the Council invited the Commission to report to the European Council (through Ecofin), on the implementation of initiatives at national level, to increase growth and growth potential and which could enhance the positive impact of the European Initiative for Growth.

The (Ecofin) Council welcomes the second reports by Member States on their contributions to the European Initiative for Growth and notes that a number of Member States have taken steps to reinforce the Initiative by national actions, some of them with the financial support of the EIB. The Council welcomes these contributions.

The Council would like to draw the attention of the European Council to the issues below, and in this context, notes that the expected impact of the Initiative on public investment differs according to transport infrastructure, telecommunications, and R&D and innovation investment:

- The improvement of transport infrastructure is part of current national economic strategies in a majority of Member States. Some countries have redirected public expenditures to accelerate investment in key transport infrastructure projects. In other countries the Initiative did not significantly affect investment plans for 2004 and 2005.
- While investments in telecommunications infrastructure are principally market-driven, a number of countries provide direct or indirect support to the development of high-capacity networks, notably in sparsely populated and remote areas.

- With regard to R&D and innovation investment, a number of Member States have taken steps to promote private sector participation. In several key technological areas identified in the Quick-start Programme, strategic research agendas have been or are being defined by public and private stakeholders, and are expected to lead to the launch of projects and the development of research infrastructures.
- Many countries have made efforts to develop the mobilisation of private resources in infrastructure financing, notably through improving the framework conditions for PPPs.

In line with the request by the European Council, the Commission and the European Investment Bank will provide a mid-term evaluation of the Initiative by the end of 2007. To this effect, the Commission and the Member States will have to ensure that the relevant information on the national measures taken in support of the Initiative, will be made available.

The Council invites the Member States to pursue efforts, through budgetary planning and the improvement of the non-financial conditions to investment, to ensure the implementation of the Quick-start cross-border infrastructure projects as well as innovation and R&D projects, thereby enhancing the overall impact of the Initiative. The Council underlines the need to pursue these efforts in a context of sound budgetary policies as well as stability and growth oriented macro policies, and, in accordance with the ECOFIN conclusions of November 2003, to only prioritise projects that are assessed to be economically and financially viable.
