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NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Partial summary record of the meeting of the **Committee on Industry, Research and Energy (ITRE)**, held in Brussels on 9 July 2013
Presentation of priorities of the Lithuanian Presidency

The meeting was chaired by Ms Sartori (chair) (EPP, IT).

1. Visit of Rimantas Sinkevičius, Lithuanian Minister of Transport and Communications, Presidency-in-Office of the Council of the European Union

The minister thanked the Irish Presidency for their significant progress on many files. He assured Members that the Lithuanian Presidency would try to ensure a stable and continuous legislative process, recognising the key role of the EP in the decision-making process. The Presidency's efforts would focus on action to restore confidence in the economy, promote economic growth and develop the single market in order to create a credible, growing and open Europe. In the area of telecommunications, the focus would be on creating a dynamic single digital market. In this context, the Presidency would work to reach an early agreement on trans-European telecommunication network guidelines at first reading. Concerning the regulation on electronic identification and trust services for electronic transactions, he said that several important issues

needed to be resolved, in particular those relating to the principles of reliability, trust and interoperability. He hoped to ensure progress in the Council by the time ITRE voted on the file in September and thereafter to start the negotiations with the EP to reach a first-reading agreement. The minister also raised the issue of the violation of electronic space, where there was a need to make efforts to minimise such threats at European level. The Presidency would therefore seek to make progress on the proposal for a network and information security directive. Progress would also be sought on the proposal for a regulation on reduction of the costs of deploying broadband communications and on the proposal for a directive on the accessibility of websites of public sector bodies. The minister also mentioned the review of the regulation on the European Global Satellite Navigation System Agency, the organisation of the ICT 2013 conference in Vilnius and the forthcoming Commission proposal on the common European market for telecommunications.

In reply to Members' questions, Mr Sinkevičius reiterated that the issues relating to electronic identification, trust services and cyber-security were high on the Presidency's agenda. He said that the proposal on e-identification was very complex and that the Presidency would try to adjust the positions of Member States to define the Council position on the file. He was ready to engage cooperation with the EP to achieve progress as soon as possible and welcomed the ITRE vote on the file in September. In spite of the reduction of the budget for telecommunications (from EUR 9.2 billion to 1 billion), he still saw its high potential in job creation and development of the economy, which were the essence of the digital agenda. He hoped to reach a final decision on the telecoms guidelines by October 2013. In the context of cyber-security, he considered it crucial to employ significant efforts to reduce threats in the electronic area to ensure trust in and reliability of electronic communications entities.

2. Visit of Evaldas Gustas, Lithuanian Minister of Economy, Presidency-in-Office of the Council of the European Union

The minister informed Members that the Presidency would focus on the implementation of a competitive, integrated and innovation-based EU industrial policy. It would assess the progress achieved, identify further improvements needed and work towards an agreement on short and medium-term priorities. He highlighted the promotion of demand for innovative goods and services, ensuring continuous access to raw materials and energy sources at competitive prices, as well as

improving access to finance and skills and focusing on policies promoting clustering and networks. In particular, the Presidency was planning discussions on the promotion of innovation through public procurement, linking innovation with industrial policy to promote the development of “young” innovative enterprises and innovation-based growth. Regarding SMEs, discussions on the application of the “Think Small First” principle were scheduled, aiming at raising the implementation of the Small Business Act up to the highest political level and to identify the obstacles hindering its full implementation. The outcome of the debate would contribute to the October European Council conclusions. The Presidency would also try to ensure that the implementation of "smart" regulation initiatives promoted a favourable environment for business and contributed to enhanced industrial competitiveness and cutting the cost of compliance. In the area of financing, the Presidency would focus on the timely transformation of the CIP Programme into the COSME Programme as of 2014 and on the implementation of its related initiatives. In the field of space, the minister highlighted the Commission proposal on the Copernicus Programme and committed to implement it as soon as possible. The Presidency would also seek to secure progress on the Space Surveillance and Tracking Support Programme and to adopt a general approach in the Council on issues such as data policy, governance and a funding mechanism.

Answering the comments of Members, the minister reiterated that industrialisation was linked to greater competitiveness. The Lithuanian Presidency would focus on better regulation in industry policy and on providing recommendations. In this context, the informal July Council would tackle effectiveness and efficiency of public enterprises, SMEs and e-procurement. The December Council would provide conclusions as a basis for discussions at the European Council meeting in February 2014. Concerning the MFF, he acknowledged that the budget for competitiveness was lower than expected. Nevertheless, he believed that the budget was not a decisive factor for achieving good results and advocated the promotion of innovative measures (such as increasing demand for innovative products, clusters, etc.), the review of best practices and the identification of areas where more could be achieved in current legislation.

3. Visit of Dainius Pavalkis, Lithuanian Minister of Education and Science, Presidency-in-Office of the Council of the European Union

According to the Minister, the main priority of the Lithuanian Presidency in the field of research was the work on the launching of the Horizon 2020 programme in 2014 and the legislative action on its implementing initiatives, such as the public-public partnerships based on Article 185. The Presidency would also work on the appropriate solution for the Euratom programme, as well as Europe's contribution to the ITER project. The minister also highlighted the European Research Area (ERA) and was looking forward to the Commission's progress report. He informed Members that ERA activities would be discussed in the framework of various conferences and gave a brief overview of events to be organised during the Lithuanian Presidency. He mentioned two Competitiveness Council meetings in September and December and an informal meeting of ministers at the end of July, which would, among other items, address the skills required in the EU to better address the needs of industry in the field of science and innovation.

In response, the minister agreed with Members that rapid implementation was a crucial factor for Horizon 2020 to start on time. Regarding the queries on budget matters, he recalled that cuts for research, development and innovation were not all that substantial compared to other areas, which he saw as a sort of achievement. As to the clustering, he hoped for timely cooperation to close files relating to Articles 185 and 187. In this context, he emphasised that the gap between high quality research and its poor commercialisation needed to be solved. Concerning youth unemployment, mobility and the brain drain, these were identified as being among the main Presidency priorities. He pointed to the discrepancy between people's skills and the needs of industry (e.g. ICT skills) and pointed out that the issue would be discussed during the informal July Council. With regard to the use of structural funds for innovation, he mentioned smart specialisation as a clear interaction between the SF and Horizon 2020 and committed himself to working to maximise the outcome for innovation and technology.

Next meeting

- 2 September 2013, 15.00 – 18.30 (Brussels)