



**COUNCIL OF
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NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary record of the meeting of the European Parliament **Committee on Industry, Research and Energy**, held in Brussels on 27-28 February 2012

The meeting was chaired by Ms Sartori (EPP, IT), Chair, Mr Rohde (ALDE, DK) and Ms Toia (S&D, IT), vice-chairs of the Committee. Ms Sartori informed Members about the outcome of the coordinators' meeting. The Committee would organise a hearing on Horizon 2020 on 20 March 2012 and a hearing on SMEs on 8 May 2012. Regarding the allocation of reports, Greens/EFA would appoint the rapporteur for research on ITER. As regards opinions, EPP was allocated the report on concessions and general data protection and Greens/EFA were allotted the draft budget 2013.

JOINT DEBATE ON THE HORIZON 2020 PACKAGE

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

2011/0401(COD) COM(2011)0809

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

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

2. **Rules for the participation and dissemination in 'Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020)'**
2011/0399(COD) COM(2011)0810
Rapporteur: Christian Ehler (EPP, DE)
Opinion: BUDG
3. **Amendment of Regulation (EC) No 294/2008 establishing the European Institute of Innovation and Technology**
2011/0384(COD) COM(2011)0817
Rapporteur: Philippe Lamberts (Greens/EFA, BE)
Opinions: BUDG, EMPL, CULT, JURI
4. **Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT): the contribution of the EIT to a more innovative Europe**
2011/0387(COD) COM(2011)0822
Rapporteur: Marisa Matias (GUE/NGL, PT)
Opinions: BUDG, EMPL, ENVI, AGRI, CULT, JURI
5. **Specific Programme Implementing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020)**
2011/0402(CNS) COM(2011)0811
Rapporteur : Maria Da Graça Carvalho (EPP, PT)
Opinions: BUDG, EMPL, ENVI, TRAN, AGRI, CULT, JURI
6. **Research and Training Programme of the European Atomic Energy Community (2014-2018) complementing Horizon 2020 – The Framework Programme for Research and Innovation**
2011/0400(NLE) COM(2011)0812
Responsible: ITRE
Opinions: BUDG, ENVI, JURI

Ms Riera Madurell, the rapporteur, welcomed the proposal as a good basis for future negotiations and praised the inclusion of research and innovation in a single programme, as well as the focus on excellence. She saw a need for a more ambitious and balanced budget and for a strategy to support SMEs, including improving their participation by supporting projects of more appropriate size and the simplification of rules of participation. She also mentioned the issue of human resources, including the need for new researchers and for more appealing careers. In this regard, she believed that the budget increase for Marie Curie actions was not sufficient.

Mr Ehler, the rapporteur, considered that the negotiations on the MFF and Horizon 2020 should be conducted in parallel due to the demands to increase the budget. Referring to the rules of participation, he welcomed the proposed pillar structure of the programme, but pointed out some cross-cutting issues. He also endorsed the criterion of excellence in science and called for a closer link between the programme and the Cohesion Fund.

Ms Carvalho, the rapporteur, echoed her colleagues regarding the budget increase. She also welcomed the focus on excellence and the concept of the “stairway to excellence”. Referring to the synergies with the Structural Funds, she highlighted a need for greater compatibility between their rules of procedures. She also mentioned industrial leadership in the context of SMEs and innovation, and societal challenges.

Mr Lamberts, the rapporteur, considered that the multiplying of the EIT budget needed to be justified. He wanted more information as to whether previous investments were delivering. On accountability and governance, he advocated a closer and simpler structure. He also thought that the Knowledge and Innovation Communities (KICs) could be a good instrument for the “stairway to excellence”, with the potential to "lift" regions.

Ms Matias, the rapporteur, focused on the EIT, where she called for a clear link between the innovation agenda and the related rules governing its administration. In her view, EIT played an important role in education and training and was crucial for helping remote regions to achieve cohesion. She also mentioned the involvement of SMEs, societal effects of research and innovation and financing of Marie Curie actions.

During the discussion, Members raised various issues. Many of them commented on the size of the budget (Ms Niebler (EPP, DE), Ms Jordan Cizelj (EPP, SI), Mr Weber (S&D, FR)). Ms Ford (ECR, UK) agreed with conducting the discussions in parallel with the MFF and the importance of a balanced budget in the field of long-term research. Mr Johansson (ALDE, SE) called for a budget increase for research and innovation. Ms Jordan Cizelj, Ms Merkies (S&D, NL) and Mr Correia De Campos advocated prioritising. On participation, Ms Ford advocated the simplification of rules and called for more private investment. Mr Johansson was concerned about the participation of the new Member States. On SMEs in particular, Mr Ehler thought that the Commission should find a more sector-specific approach. Mr Johansson, Mr Kelly (EPP, IE) and Ms Niebler echoed calls for cutting the red tape. Ms del Castillo (EPP, ES) supported the idea of smaller projects for SMEs. Members also discussed the EIT and its budget (Ms Niebler, Ms Ford), industry as its important partner (Mr van Nistelrooij (EPP, NL)), its link to higher education (Ms del Castillo) and the role of KICs (Mr Correia De Campos, Mr Tsoukalas (EPP, EL)). Mr Johansson, Mr Ehler and Ms Merkies

called for linking Horizon 2020 to the Cohesion and Structural Funds and for finding synergies. Other issues raised were the mainstreaming of excellence in all pillars; prioritising; measurable results; the link between research, industry and production; and increased investment in basic research, applied research and the private sector, health related problems and genome therapy, space policy and cultural heritage.

On the budget, the representative of the Commission underlined the need for growth-enhancing measures. As regards the leverage effect, he was confident that the debt facility and the equity facility were first class loan instruments, to be joined by public-private partnerships and joint technology initiatives. On the link between the Structural Funds and Horizon 2020, he informed Members that the Commission had decided to produce a joint paper on how to ensure synergies in order to achieve the "stairway to excellence". The latter required making enough finances available for less-developed regions to develop capacities for research and innovation, as well as for networking and twinning activities. Regarding social sciences, he explained that the Commission had mainstreamed social sciences and humanities, given their huge contribution to societal challenges. Concerning simplification, he mentioned three outstanding issues that needed further discussion: time sheets, the full economic cost and the time for conclusion of contracts. He assured Members that innovation was cross-cutting and central to all pillars, including industrial leadership. He concluded that Horizon 2020 was about delivering research results to the market, strengthening competitiveness and tackling societal challenges.

Timetable: hearing : 20 March 2012
consideration of the draft report : end of May 2012
deadline for amendments : 7 June 2012, 12:00 (suggestion by Mr Ehler to postponing it to July and have a consideration of amendments after summer 2012)

7. Critical Information Infrastructure Protection. Achievements and next steps: towards global cyber-security

2011/2284(INI) COM(2011)0163
Rapporteur : Ivailo Kalfin (S&D, BG)
Opinions: AFET, LIBE

Mr Kalfin focused on the enforcement of national and EU protection of critical infrastructure, on the setting up of a framework for the notifications of security breaches in critical sectors and on international cooperation in the context of cyber-security measures, which should, in his view, fall within the scope of EEAS activities. He called on the Commission to propose a comprehensive internet security strategy.

Members highlighted the need for collective security (Mr Creutzmann (ALDE, DE), Mr Hénin (GUE/NGL, FR), Ms Grossetête (EPP, FR)) and for cooperation at the EU and international levels. Mr van Nistelrooij (EPP, NL) added that private companies should also be involved in this exercise. Other issues raised were the neutrality of services and the role of China in the context of a cyber attacks.

The representative of the Commission pointed to the increase in numbers of cyber-attacks and increased vulnerability of the internet network resulting in a strong need for a coordinated and strategic approach at the EU level. He informed members that the Commission intended to propose a EU strategy for internet security in autumn 2012.

The rapporteur added that the EU level of cyber-security should be at a higher level and amount to more than a simple addition of national strategies. He also referred to the important distinction between military and civilian security and concluded that the civilian use of the internet, banking, health services and financial services should fall within the scope of critical infrastructure protection.

Timetable: deadline for amendments: 5 March 2012; 12:00

6. 20 main concerns of European citizens and business with the functioning of the Single Market

Rapporteur : András Gyürk (EPP, HU)

Mr Gyürk focused on the areas of the ITRE's expertise. Regarding energy prices, he identified the insufficient implementation of the 3rd energy package as the major problem (17 infringement procedures). He explained that the recent rise of energy prices was significant due to the increase of prices of raw materials and commodities combined with the lack of competition and liberalisation of the EU market. Concerning internet services and prices, he also mentioned structural problems (15 infringement procedures), lack of transparency and poor quality of customer services. On access to financial resources for SMEs, he called for greater simplification and for the creation of 'one-stop shops' enabling SMEs to apply for European, national and local funds.

Members mentioned purchasing power, unfair cooperation between major operators, scarcity of loans for SMEs (Mr Hénin (GUE/NGL, FR)) and incentives for young entrepreneurs to create jobs (Mr Rübzig (EPP, AT)).

Timetable: deadline for amendments: 22 March 2012; 12:00

*** *Electronic vote* ***

Mr Rohde (ALDE, DK) raised the issue of voting on negotiating mandates for two out of five reports. He said there was a move away from usual procedures and considered that if this was supposed to become normal practice, there would be a need to vote on the mandate for every report. Mr Turmes (Greens/EFA, LU) endorsed this position. Mr Reul (EPP, DE) was sceptical about first reading agreements. He expressed his concerns about giving individual negotiating mandates to the rapporteurs before the plenary vote took place, as this prevented other MEPs from influencing the negotiations with the Council and the final text.

7. Roaming on public mobile communications networks within the Union (recast)

2011/0187(COD) COM(2011)0402
Rapporteur: Angelika Niebler (EPP, DE)
Opinions : IMCO, JURI

The draft report was adopted as amended (54 for, 5 against, 0 abstentions). The legislative resolution was adopted (46 for, 1 against, 0 abstentions).

8. Energy efficiency, repealing Directives 2004/8/EC and 2006/32/EC

2011/0172(COD) COM(2011)0370
Rapporteur : Claude Turmes (Greens/EFA, LU)
Opinions : ENVI, FEMM

The set of amendments was adopted (51 for, 6 against, 3 abstentions). The negotiation mandate for inter-institutional negotiations based on adopted amendments was adopted (31 for, 22 against, 5 abstentions). The final vote on the draft report (legislative resolution) was postponed.

9. Exchange mechanism with regard to intergovernmental agreements (IGAs) between Member States and third countries in the field of energy

2011/0238(COD) COM(2011)0540
Rapporteur : Krišjānis Kariņš (EPP, LV)
Opinions : AFET, INTA

The set of amendments was adopted (48 for, 5 against, 0 abstentions). The negotiation mandate for inter-institutional negotiations based on adopted amendments was adopted (48 for, 4 against, 0 abstentions). The final vote on the draft report (legislative resolution) was postponed.

10. European standardisation

2011/0150(COD) COM(2011)0315
Rapporteur : Adam Gierek (S&D, PL)
Responsible : IMCO

The draft opinion was adopted as amended (38 for, 5 against, 2 abstentions).

11. The role of Cohesion Policy in the outermost regions of the European Union in the context of EU 2020

2011/2195(INI)
Rapporteur : Niki Tzavela (EFD, EL)
Responsible : REGI

The draft opinion was adopted as amended (35 for, 0 against, 1 abstention).

*** *Electronic vote* ***

12. Trans-European telecommunications networks, and repeal of Decision No 1336/97/EC

2011/0299(COD) COM(2011)0657
Rapporteur : Evžen Tošenovský (ECR, CZ)
Opinions : ECON, ENVI, IMCO, REGI, CULT, LIBE

Mr Tošenovský welcomed the proposal, which was aimed at making available appropriate investments to provide internet access to outermost regions. He referred to the cross-border broadband provision as an important public service and inquired how the Commission intended to achieve it. Moreover, he wanted to clarify on what basis the Commission had selected the projects listed in the text. He also mentioned the need for adequate control of the finances used and called for an appropriate regulation that would change in line with technological changes and progress.

Ms Trautmann (S&D, FR) underlined the efficient use of funds and their proper distribution between infrastructure and digital services. She advocated the establishment of public-private partnerships to achieve a leverage effect, as well as a greater link between the Structural and the Cohesion Funds in order to achieve complementarity with other types of networks. She was concerned that EUR 9 billion was not enough to cover the whole EU with broadband and inquired about possibilities of attracting private financing to less attractive areas, about access to loans and selection of projects. Mr Creutzmann (ALDE, DE) and Mr Hökmark (EPP, SE) thought that the funding should prioritise remote areas without infrastructure and commercial investments already in place. Ms Andersdotter (Greens/EFA, SE) inquired about greater involvement of SMEs in infrastructure projects in these areas. Given the fast development of technologies, Mr Hökmark considered that the targets should not be set with such a long-term perspective, as they might not be ambitious enough and could hinder the process of becoming leaders in the area.

As regards the complementarity of funds, the representative of the Commission said that its achievement was related to the review on the precise formulation of broadband investment in the Structural Funds. He acknowledged that the current proposal only provided for a number of synergies. On the project selection, he said that the proposal facilitated access to funding whenever a business case allowed the private sector's involvement. The areas had been chosen on the basis of several criteria, including a digital bottleneck in the area and the area's maturity. He concluded that the list was intended to be open.

Timetable: next debate: 25 April 2012
 vote in plenary : June 2012

13. Online distribution of audiovisual works in the EU

2011/2313(INI)

Rapporteur : Maria Badia i Cutchet (S&D, ES)

Responsible : CULT

Due to the fragmentation of the online market, Ms Badia i Cutchet called for an approach to be adopted at the European level for advancing towards the digital single market. She underlined the need to improve the security of online distribution platforms and advocated a proper remuneration for rights-holders without hampering the creative industry. For the latter, she suggested carrying out comprehensive studies in order to identify where problems were located.

Ms Andersdotter (Greens/EFA, SE) expressed her concern that the report encouraged cooperation between private actors which could hamper IPRs and threaten net neutrality and free access to information on the internet.

The representative of the Commission informed Members that the results of the consultation on the Green Paper were available online. He also said that the Commission intended to organise a hearing on this issue before October 2012 and to issue a report by May 2013.

The rapporteur reiterated the need to strike a balance between rights-holders and access to information and welcomed the idea of the hearing.

Timetable: deadline for amendments: 7 March 2012; 12:00
vote in ITRE : 24 April 2012

14. Health for Growth Programme, the third multi-annual programme of EU action in the field of health for the period 2014-2020

2011/0339(COD) COM(2011)0709

Rapporteur : Maria Badia i Cutchet (S&D, ES)

Responsible : ENVI

Ms Badia i Cutchet considered that the scope of the programme could be extended to include various cross-cutting actions, such as the development of medical research and coordination at the EU level. She thought that more attention should be paid to poverty-related diseases, in the context of aiming to help improve living standards in developing countries and migration flows; to resources for providing training and life-long learning for workers in the health and social services sector; and to opportunities provided by technologies based on radio-frequency identification (RFID), such as the Internet of Things.

Ms Jordan Cizelj (EPP, SI) considered that financial resources should also be available to tackle climate change. She proposed combining the measures of the programme with Horizon 2020 and the Structural Funds, in order to develop new research in the area. She also advocated further training of medical personnel and highlighted the issue of prevention. She expressed concerns about the direct financing possibilities for certain actions, which would be authorised without a prior call for tenders.

The representative of the Commission said that the issue of poverty-related diseases was beyond the geographical scope of the programme, which was aimed at the EU. On the link between the programme and Horizon 2020, he said that the objective of the programme was the uptake of research in Member States via existing financial instruments. He assured Ms Jordan Cizelj that no actions were proposed without prior calls for proposals.

Timetable: deadline for amendments: 7 March 2012; 12:00

15. 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

Ms Andersdotter criticised the lack of transparency of the negotiation process. She commented on the current lively debate and protests, as well as the Commission concerns and its subsequent recourse to the European Court of Justice (ECJ). However, she expressed concern that the ruling of the ECJ would not respond to many issues raised by the industry, including net neutrality, the harmful effect on innovation and trade barriers for EU providers to reach cross-border markets. She believed that the political discussion on the topic should continue and suggested the conducting of a study on ACTA's impact on net neutrality or on development of the online services market, whilst informing Members that the INTA Committee would issue a preliminary report in order to keep the debate alive.

All Members acknowledged that counterfeiting was a serious problem that needed to be combated, but expressed concerns about the agreement in its present form. Mr De Angelis (S&D, IT) considered that it did not provide a satisfactory response to the issue of counterfeiting. He also criticised the fact that the agreement touched on the issue of online copyright, which could harm privacy rights. Ms Badia i Cutchet (S&D, ES) added that the agreement was mixing everything together. Ms Țicău (S&D, RO) criticised Articles 27 (together with Mr De Angelis) and 14, as she opposed the use of open definitions (with Mr Caspary (EPP, DE)) echoing her concerns), which could lead to abuse. Together with Mr Balčytis (S&D, LT), she said she would vote against the agreement in its current form. She also inquired what would happen to the rights of citizens of

countries that signed the agreement if the EP rejected it. Ms Badia i Cutchet and Mr Kelly (EPP, IE) suggested referring the agreement to the ECJ. Ms Trautmann (S&D, FR) was interested in what would happen if the ECJ found the agreement incompatible with EU legislation. The other issues raised were the role of internet providers, problems related to not having India and China on board, and online copyright infringements.

The representative of the Commission recalled that ACTA's goal was to improve legal standards related to IPRs and to improve access to justice, and not about improving IPRs' protection as such. He also recalled that ACTA was an international agreement creating a legal framework in which the contracting parties had several options to choose from, and it was up to them to decide what suited their own legislative framework best. He explained that ACTA would not amend EU legislation and was not calling into question the concept of copyright and the issue of circulation of information.

16. Amendment of Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007-2013) and of Regulation (EC) No 680/2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks

2011/0301(COD) COM(2011)0659

Rapporteur : Werner Langen (EPP, DE)

Responsible : BUDG

Mr Pieper (EPP, DE), on behalf of the rapporteur, underlined that the pilot project on project bonds should not promote business as usual without any European added value. He also thought that the EP should have better possibilities to exercise control.

Members largely echoed the call for EU added value as a criterion to finance the projects (Mr Creutzmann (EPP, DE), Mr Kelly (EPP, IE)). Mr Creutzmann highlighted infrastructure projects (gas, electricity), while Mr Kelly added that they should be tied to EU 2020 targets. Ms Herczog (S&D, HU), on the other hand, was against limiting the projects only to infrastructure, especially after the pilot phase. She did, however, agree with the rapporteur that the bonds did not replace, but were an addition to the national or EU funding for projects that were not commercially viable.

Mr Pieper concluded by highlighting the need for an additional European added value as a criterion for the financing.

Timetable: deadline for amendments: 5 March 2012; 12:00

Dates of the next meetings

- 19 March 2012, 15.00 – 18.30
 - 20 March 2012, 9.00 – 12.30 and 15.00 – 18.30
 - 21 March 2012, 9.00 – 12.30
-