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NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary of the meeting of the **Committee on Industry, Research and Energy (ITRE)**, held in Brussels on 17-18 September 2012

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

Joint debate on HORIZON 2020 (first consideration of amendments)

- 1. 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
- 2. 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
- 3. 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

4. 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

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

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

Rapporteur: Marisa Matias (GUE/NGL, PT)

Opinions: BUDG, EMPL, ENVI, 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

ITRE/7/08087, 2011/0400(NLE), COM(2011)0812

Rapporteur: Peter Skinner (S&D, UK)

Opinions: BUDG, ENVI, JURI

The debate on the Horizon 2020 package was divided into three parts.

Part I

The rapporteur, Ms Riera Madurell, considered that Horizon 2020 was the most political instrument of the EU for growth, job creation and overcoming the crisis. She briefly presented the amendments. There was broad acceptance of two objectives of the programme : excellence and widening of participation, which were, in her view, cross-cutting issues. Concerning the budget, she reiterated that Horizon 2020 should have sufficient funding and that the current budget for the 7th Framework Programme (FP7) should be doubled. On behalf of her group, she advocated maintaining the budget's internal flexibility and clarity and called for more funding for Marie Curie actions. With regard to the involvement of SMEs, she considered that a binding minimal threshold of 20% would be a good solution. Other amendments concerned the division of Chapter 15 into two, Article 16 on ethical principles, open access to scientific results, the number of challenges, etc.

The rapporteur, Ms Carvalho, highlighted the main areas of convergence : excellence, widening of participation and more balanced involvement of both Member States and regions, integration of the gender dimension, improvement of synergies with the Structural Funds, internal synergies of different Horizon 2020 pillars and Knowledge and Innovation Communities (KICs). Concerning the divergences, she highlighted issues such as open access to research data, placing both the widening of participation and science and society within the programme structure, earmarking, etc. She also hoped that Member States would support an adequate budget.

The rapporteur, Mr Ehler, called for compromises on the budget and the figures for the individual proposals. Referring to the cross-cutting issues, he highlighted the need for substantial simplification, leverage for involvement of the private sector and ensuring the effective use of EU funds. He also mentioned the agreement on acceptance of nationally accepted accounting standards, as well as the simplification of audit procedures. In this context, he proposed to add two elements: a two-stage evaluation procedure should be introduced, and the "time to grant" should be shortened to 6 months. Diverging views remained on issues such as the reimbursement rate, number/percentage of indirect costs, etc.

Some members were pessimistic with regard to the budget (Mr Tsoukalas (EPP, EL) and Mr Ehler) and thought that the Parliament should stand firm and make sure the amounts as outlined remained unchanged (Ms Grossetête (EPP, FR) and Mr Kelly (EPP, IE)) or were doubled (Ms Matias), as the Council figures were considered inadequate (Mr Berlinguer (S&D, IT) and Ms Herczog (S&D, HU)). Mr Ehler (supported by Mr Johansson (ALDE, SE), Mr Lamberts (Greens/EFA, BE), Ms Matias and Ms Herczog) called for all political groups to reach a common agreement on the budget. In the light of Member States' cuts in research, development and innovation, Mr Vidal-Quadras (EPP, ES) considered that Horizon 2020 was even more relevant. Mr Audy (EPP, FR) proposed negotiating with the Member States on reducing their national contributions and making savings at national level, and allocating those funds to the budget for Horizon 2020. Excellence was confirmed as one of the targets (Ms del Castillo Vera (EPP, ES) and Ms Grossetête), but it should be focused on market activities (Mr Johansson). The widening of participation should also comply with the principles of excellence (Ms Ford (ECR, UK)). The issue of special treatment for SMEs was also raised (Mr Cancian (EPP, IT) and Mr Vidal-Quadras), in particular in the context of participation, reimbursement rates and time to grant (Mr Glante (S&D, DE)), and the reimbursement of management costs (Mr Cancian). There was general support for simplification as such (Ms Ford, Mr Sosa Wagner (NI, ES), Ms del Castillo Vera and Ms Grossetête), although some aspects needed further discussion (Mr Glante and Ms Matias). Mr Audy said that the Commission should ensure coordination between its different services on this issue. Concerning open access to scientific results, Ms Ford expressed her support but pointed to the difference between allowing access and being forced to publish. Mr Lamberts considered that the issue needed to be discussed further. The issue of stem cells were also raised. Mr Johansson thought there was a case for including them in this proposal. Mr Lamberts considered that the current balance should be preserved and the compromise from the FP7 should be maintained.

The Commission representative noted that Parliament was very much in line with the Commission and welcomed its united stance on the budget. He welcomed in particular the focus on excellence, the support for widening participation and SMEs. On open access, he agreed with Ms Ford that a distinction should be drawn between open access of publications and open access to data, in order not to deter industry players. Concerning the rules of participation, he informed Members that the Court of Auditors expressed total support for a single funding rate without any target groups. Nevertheless, he acknowledged that the leverage factor should not be overlooked. On simplification, he stressed that, with the new Financial Regulation, VAT could possibly count as an eligible cost.

The rapporteurs, Ms Riera Madurell and Ms Carvalho, stressed that the budget should be as large as possible and that Parliament should not agree to lower it. In addition to those areas on which there was general agreement (excellence, simplification, widening of participation), Ms Carvalho also mentioned gender issues, in relation to which she supported a strong single article, and the specific research areas (health research and stem cells), for which she was in favour of maintaining the status quo. On stem cells in particular, Mr Ehler pointed out that the JURI vote contested the legal basis and that this had an impact on the procedure, in terms of legal certainty.

Part II

The rapporteur, Mr Lamberts, informed Members that the compromises were not ready yet, but the amendments were mostly consistent. There were differing views on the selection procedure of KICs (whether to adopt a top-down or bottom-up approach) and how to control and monitor the quality of the EIT's work without hampering its independence. He saw a need to strike a balance between excessive control and excessive lack of accountability.

The rapporteur, Ms Matias, focused on the timetable for launching the KICs, their selection procedure, financing and size and their link to other instruments.

Concerning the budget, Members supported further financing for the EIT and called for funding to remain at least at the level outlined in the Commission proposal (Mr Johansson and Mr Tsoukalas, on behalf of Mr van Nistelrooij (EPP, NL)). With regard to the KICs, Mr Johansson advocated that these be established at the same time (and not 3+3 as proposed), so that they were placed on a more equal footing and enjoyed a level playing field, thus enabling a better comparison of their performance. In this context, Mr Tsoukalas, on behalf of Mr van Nistelrooij, considered that they

needed a critical mass to become world class. Ms Gutiérrez-Cortines (EPP, ES) inquired about the criteria for excellence of KICs.

Other issues included the widening of participation, the transfer of knowledge to those who teach as a main purpose of the EIT, and the start-ups.

The Commission representative advocated the top-down approach as a selection procedure for KICs. He thought there was scope for compromise on the widening of participation and the outreach, but he stressed the need to ensure that the KICs remained the initiators of excellence. From the point of view of methodology, he said that the report by Ms Matias introduced some policy proposals into the proposal for a regulation. He welcomed the ideas, but he preferred to keep them where they had been placed initially, in the political text, to avoid legal uncertainty.

Ms Matias said she could not accept such a distinction between the legal and the policy proposals.

Part III

The rapporteur, Mr Skinner, said that the level of funding for the JRC was one of the key issues. He went briefly through the amendments, many of which called for the nuclear technology platforms to be strengthened and to be aligned with the SET-Plan. Some amendments called for a change in the legal basis of the Euratom Treaty, others focused on the ITER project, the central budget issue. On the latter point, he thought that the discussions in the BUDG committee on the separation of institutional establishment of ITER from the science were going in the right direction.

On ITER and its financing, Mr Vidal-Quadras stated that it should be funded under the MFF to avoid uncertainties. Mr Rübzig (EPP, AT) said that the EU had to abide by the existing agreements, but suggested a renegotiation of some parts, with the European Parliament calling for more rights. Mr Audy pointed to the inconsistency between the duration of the MFF and the Euratom funding, and proposed the programme's extension by 2 years. Mr Březina (EPP, CZ) was surprised that 21 amendments were deletions aimed at eliminating some parts of the programme. Mr Kelly reiterated that the budget for nuclear research was necessary. Members also emphasised safety issues, decommissioning, closure and storage (Mr Rübzig) and stressed the need for maximum excellence in these cutting-edge technologies (Mr Audy).

The Commission representative fully agreed with the emphasis on safety issues and decommissioning as the leitmotifs of the programme.

7. Nuclear decommissioning assistance programmes in Bulgaria, Lithuania and Slovakia.

ITRE/7/07871, 2011/0363(NLE), COM(2011)0783

Rapporteur: Giles Chichester (ECR, UK)

Opinions: BUDG

Ms Ford, speaking on behalf of the rapporteur, gave a brief overview of the background details and clarified that the financial assistance would not be sufficient and that the whole process of decommissioning would be at risk. She said that an interim and final evaluation of objectives was needed to grant additional resources for these programmes. She also highlighted the question of the legal basis and the specific situation of Lithuania, and recalled that the Council was proposing to split the regulation into two parts and that the Commission was against this. She informed Members that the rapporteur supported this split.

Members had divergent views on splitting the regulation. Mr Balčytis (S&D, LT) and Mr Vidal-Quadras (EPP, ES) advocated differentiated treatment for Lithuania, while Ms Harms (Greens/EFA, DE) called for a single base and uniform procedure. Mr Kalfin (S&D, BG) underlined the need for a coherent approach towards all three Member States, irrespective of the legal basis. Members also pointed out the shortcomings in terms of implementation of the decommissioning programmes (Ms Harms and Mr Audy) and called for a proper use of public money (Mr Marinescu (EPP, RO)). Mr Kalfin said that the amount of EU assistance should be linked to the expected needs, expenditure and commitments. Other issues raised included ex ante and ex post conditionality, waste fuel management and the lack of provision for financial aid for temporary repositories for nuclear waste and final processing of liquid waste in the proposal for Slovakia.

Concerning the legal basis, the Commission representative reiterated that the three institutions were in agreement that all use of EU funds should result in a European added value. The proposal for a regulation was based on the article on nuclear safety, whereas Protocol 4 of the Accession Treaty (Lithuania) was based on solidarity. Given that the focus should be on dismantling and safety management, the Commission could certainly not agree to have two different legal bases.

With this issue remaining outstanding, the rapporteur sympathised with Lithuania's wish to have a separate regulation. He concluded that the focus should be on providing financial support for decommissioning and ensuring that EU funds were used properly.

Timetable: deadline for amendments : 25 September 2012; 12:00

8. Amendment of Directive 2003/98/EC on re-use of public sector information

ITRE/7/08211, 2011/0430(COD) COM(2011)0877

Rapporteur: Ivailo Kalfin (S&D, BG)

Opinions: IMCO, CULT, JURI, LIBE

The rapporteur, Mr Kalfin, raised a number of concerns such as privacy and data protection, how to compensate the budget losses of local governments, and issues related to the marginal costs in the Member States.

The very short discussion turned on issues such as privacy, marginal costs and the inclusion of public broadcasters in the scope of the proposal.

The Commission representative supported the need to ensure that the right to re-use did not take precedence over the protection of personal data. A balance had to be struck between the availability of the information for re-use (preferably for free re-use or for marginal costs, but in duly justified cases for higher charges) and the protection of personal data..

Timetable: deadline for amendments : 27 September 2012; 12:00

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

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

Rapporteur: Jürgen Creutzmann (ALDE, DE)

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

The rapporteur, Mr Creutzmann, reiterated the importance of increasing the budget for COSME and avoiding duplication of national measures. Concerning additional references to micro-enterprises, he said that a horizontal clause was needed so that a single reference in the official definition of an SME would be included in the text. Concerning access to finance, he said that the threshold for the multi-staging equity facility should increase to 30% and the threshold for the loan facility should be aligned with the Council position. As to tourism, he felt that it was not appropriate to single out one particular sector of industry in the objectives of the programme. He also called for improved efficiency of the Enterprise Europe Network and for the administrative burden to be reduced by 25 % by 2020. Mr Creutzmann informed Members that the vote had been postponed to 5 November 2012 to coincide with the timing of Horizon 2020.

During the discussion, Members supported the need to reduce the administrative burden (Mr Bendtsen (EPP, DK), Mr Vidal-Quadras (EPP, ES) and Ms Mazej Kukovič (EPP, SI)). Mr Bendtsen also agreed with the need to avoid duplication with national measures and stressed (together with Mr Vidal-Quadras) that access to financial instruments should be improved. Ms Toia (S&D, IT) wanted to include more elements on social enterprises. She disagreed with Mr Creutzmann on the issue of tourism, stating that it was an industry sector of importance for all Member States. She also underlined the need to coordinate the programme with the Structural Funds. Ms Mazej Kukovič called for the Enterprise Europe Network to be strengthened.

The Commission representative stressed the need to balance the scope of the programme and to preserve its flexibility. He welcomed the proposals to reduce red tape, but did not set any new quantitative targets. He explained the Commission's concerns about including SMEs' organisations in the implementation of the programme in order to avoid any conflicts of interest, as they could be potential beneficiaries of the programme.

The rapporteur concluded that he hoped to achieve a compromise with the Commission and the Council.

*** *Electronic vote* ***

10. Trans-European energy infrastructure, and repeal of Decision No 1364/2006/EC

ITRE/7/07672, 2011/0300(COD), COM(2011)0658

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

Opinions: ECON, ENVI, IMCO, TRAN, REGI

The negotiation mandate was adopted (55 for, 0 against, 1 abstention).

11. Small and Medium Size Enterprises (SMEs): competitiveness and business opportunities

ITRE/7/08280, 2012/2042(INI), COM(2011)0642

Rapporteur: Paul Rübiger (EPP, AT)

Opinions: INTA, ECON, EMPL, ENVI, IMCO, REGI

The draft report was adopted as amended (47 for, 5 against, 3 abstentions).

12. EU Energy-efficiency labelling programme for office equipment amending Regulation (EC) No 106/2008

ITRE/7/09148, 2012/0049(COD), COM(2012)0109

Rapporteur: Béla Kovács (NI)

Opinions: ENVI

The draft report was adopted as amended (55 for, 0 against, 0 abstentions).

13. Agreement between the Government of the USA and the European Union on the coordination of energy-efficiency labelling programmes for office equipment

ITRE/7/09177, 2012/0048(NLE), 09890/2012

Rapporteur: Béla Kovács (NI)

Opinions: ENVI

The draft report was adopted as amended (55 for, 0 against, 1 abstention).

14. The industrial, energy and other aspects of shale gas and oil

ITRE/7/07776, 2011/2309(INI)

Rapporteur: Niki Tzavela (EFD, EL)

The draft report was adopted as amended (32 for, 23 against, 1 abstention).

15. Implementation and exploitation of European satellite navigation systems

ITRE/7/08051, 2011/0392(COD), COM(2011)0814

Rapporteur: Marian-Jean Marinescu (EPP, RO)

Opinions: AFET, BUDG, TRAN

The draft report was adopted as amended (53 for, 0 against, 0 abstentions).

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

16. Public Hearing on "The Energy roadmap 2050, a future with energy"

Not covered.

Dates of the next meeting:

- 24 September 2012, 15.00 – 18.30 (Brussels)