



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 8 November 2012

16025/12

**PE 499
CADREFIN 463
ENER 453
REGIO 125
TRANS 389
TELECOM 209
COMPET 677
MI 710
ECO 136**

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 5 November 2012

The meeting was chaired by Ms Sartori (chair) (EPP, IT). Item 1 was co-chaired with Mr Simpson (S&D, UK) (chair of TRAN Committee).

Joint committee meeting TRAN/ITRE (Rule 51)

1. Connecting Europe Facility (CEF)

CJ05/7/09041, 2011/0302(COD), COM(2011)0665

Rapporteur: ITRE: Adina-Ioana Vălean (ALDE, RO)
TRAN: Inés Ayala Sender (S&D, ES)
TRAN: Dominique Riquet (EPP, FR)

Opinions: BUDG, REGI

All rapporteurs criticised the Cyprus Presidency proposal for the budget as totally unsatisfactory, mainly because it did not do enough to generate growth. They called for the budget to be maintained as it stood, but in the event of cuts, they advocated refocusing and prioritising, or redrafting the list of projects (depending on the sector).

Ms Ayala Sender gave a brief overview of 743 tabled amendments, highlighting in particular the amendments concerning urban networks, closed networks, new technologies and innovation, and those focusing on noise and investment in rolling stock. She also reiterated the synergies between different axes.

Mr Riquet stressed that the respect for European added value (EAV) and the growth potential of projects was of crucial importance. He was satisfied with the compromise on the Cohesion fund. He considered that the onboard equipment (interoperability, safety and noise of transport modes (e.g. ERTMS, equipment of SESAR, etc), did not concern infrastructure as such, and theoretically was not covered by the proposal. Concerning noise in particular - a sensitive issue for some Member States - he favoured the use of other instruments as solutions for rail freight.

Ms Vălean reiterated the need to ensure the most efficient use of the instrument, as well as the need for leverage tools to mobilise private financing, in particular in the energy field. With regard to the funding rates (Article 10), she saw scope for compromise.

Mr Färm (S&D, SE), rapporteur in the BUDG committee, considered that the difficulties in having a good budget increased in proportion to the cuts. He drew attention to the financial instruments and the need to focus on their purpose and intentions. He called for more caution in using market distortion as a pretext, since a new kind of market for long-term investments needed to be established. He advocated project bonds, as well as flexibility in combining the financial instruments and grants, and defended the inclusion of cohesion in the CEF.

Members joined the rapporteurs in their criticism of the budget proposal and called for the earmarked budget to be defended. Mr Turmes (Greens/EFA, LU) pointed out that all programmes promoting EAV had been cut, whereas agriculture remained untouched. Ms del Castillo Vera (EPP, ES) and Mr Correia de Campos (S&D, PT) said that if the overall volume were reduced, this should apply proportionally. Mr Cramer (Greens/EFA, DE) added that ambitions would need to be lowered in line with the reduced budget. Mr El Khadraoui (S&D, BE) called on the Commission to indicate those projects which would not be taken on board. Mr Liberadzki (S&D, PL) referred to a loss of credibility, and Ms Țicău (S&D, RO) alluded to the risk of losing the EU competitiveness, which depended on infrastructure. A compromise needed to be reached concerning the EUR 10 billion ring-fenced in the Cohesion fund (Mr De Backer (ALDE, BE), Ms Foster on behalf of Mr Zīle (ECR, LV), Mr Koumoutsakos (EPP, EL)). As for the projects, Mr Pirillo (S&D, IT) advocated those projects with a synergy potential and called for the co-funding rates to be reduced for those contributing to the fight against climate change and the reduction of greenhouse gas emissions.

In the field of transport in particular, priority within the corridor projects should be given to core networks and development of corridors (Mr Zile). Members also supported motorways of the sea, with Mr Cancian calling for support for projects with non-EU countries. The issue of noise was also mentioned; Mr Ertug (S&D, DE) considered that there was a real EAV potential and Mr Gahler (EPP, DE) advocated its inclusion in the text.

In the energy sector, the use of innovative financial instruments should be guaranteed (Mr Cancian (EPP, IT)). Mr Turmes also thought that the use of grants should be limited as much as possible, to projects that were either political (e.g. the Baltic becoming less dependent on Russian gas) or commercially non-viable. As regards projects of common interest, Mr Vidal-Quadras (EPP, ES), Mr Pirillo and Mr Correia de Campos pointed to the need to ensure legal consistency between Article 7 and Article 15 of Mr Correia de Campos's report on the Guidelines for energy infrastructure (already adopted). With regard to their focus, Mr Turmes referred to electricity infrastructure and Mr Cancian to smart grids, while Mr Vidal-Quadras called for a strengthening of the physical infrastructure to eliminate energy islands within the EU.

With regard to telecommunications, Mr Pirillo was concerned that if the sector were allowed to decide on investment based only on profit, rural areas would not be attractive. Regarding the annex in particular, Mr El Khadraoui advocated projects with EAV. Mr Zile and Mr de Grandes Pascual (EPP, ES) were concerned about delegated acts.

Other issues mentioned included the SESAR and the division of its funding, support for project bonds, the project connecting the Rhine and the Danube, projects in Romania, projects in the Pyrenees, the role of the EIB, interoperability and the inclusion of cybersecurity.

The Commission representatives could not support the latest proposal for the MFF. Nevertheless, they said that the instruments implementing the budget had to remain as focused as possible.

The emerging compromise on the ring-fenced EUR 10 billion was considered to be solid.

In the transport field, the focus on synergies was welcome, but it could apply only where they were identified according to sectoral guidelines. The focus on core networks should be encouraged, but these networks should, together with the bottlenecks and urban nodes, be limited to those identified in the initial proposal. With regard to noise and onboard equipment, the Commission supported those Members calling for its funding to be maintained because of the leverage which could be generated. It was not recommended that VAT should become an eligible cost. Concerning the amendments to the ICT, the Commission representative expressed support that the financial instruments should be used primarily for infrastructure, with the EIB playing an important role. On high-speed in particular, he warned that limiting CEF investments to projects leading to a connection for above 100Mbps could hinder technological neutrality. Moreover, he feared that if

the bar were set too high with the use of financial instruments, the projects might become commercially unattractive. With regard to the energy field, the legal consistency and focus on the limited number of priorities was highlighted. With regard to financing, grants should be used for commercially non-viable projects, where financial instruments could not help.

Mr Riquet called for a general mobilisation against the Cyprus Presidency proposal. Ms Ayala Sender reiterated that the issue of noise should be dealt with. Ms Vălean advocated the consistency of CEF with other reports. This also applied to the Commission proposal, as she thought that 90% financing through grants in the energy field would not generate the necessary EUR 200 billion.

Timetable: joint vote ITRE/TRAN : 27 November 2012

*** *Electronic vote* ***

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

ITRE/7/07678, 2011/0299(COD), COM(2011)0657

Rapporteur: Evžen Tošenovský (ECR)

Opinion: ECON, ENVI, IMCO, REGI, CULT, LIBE

The amendments and the negotiating mandate were adopted.

3. 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)

Opinion: IMCO, CULT, JURI, LIBE

The vote on the draft report was postponed.

4. 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, HU)

Opinion: ENVI

The draft report was adopted as amended (39 for, 1 against, 1 abstention).

5. The role of EU cohesion policy and their actors in implementing the new European energy policy

ITRE/7/09419, 2012/2099(INI)

Rapporteur for the opinion: Ioan Enciu (S&D, RO)

Responsible: REGI

The draft opinion was adopted as amended (43 for, 1 against, 2 abstentions).

6. Award of concession contracts

ITRE/7/08523, 2011/0437(COD), COM(2011)0897
Rapporteur for the opinion: Werner Langen (EPP, DE)
Responsible: IMCO

The draft opinion was adopted as amended (37 for, 6 against, 3 abstentions).

7. Risk and safety assessments ("stress tests") of nuclear power plants in the European Union and related activities

ITRE/7/10880

The oral question was adopted unanimously.

8. EU steel industry

ITRE/7/10895

The oral question was adopted unanimously.

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

Dates of the next meeting :

- 27 November 2012, 9.00 – 10.00 (Brussels)
- 28 November 2012, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)
- 29 November 2012, 9.00 – 12.30 (Brussels)