



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 6 November 2013

15864/13

**PE 504
ENER 503
ENV 1031
IND 306
MI 978
COMPET 785
RECH 512
TELECOM 287
DATAPROTECT 161
CYBER 29
ATO 136
TRANS 564
ESPACE 85**

NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary record of the meeting of the **Committee on Industry, Research and Energy (ITRE)**, held in Brussels on 4 and 5 November 2013

The meeting was chaired by Ms Sartori (EPP, IT) (chair), Mr Tošenovský (ECR, CZ) (vice-chair) and Mr Chichester (ECR, UK).

1. Action Plan for a competitive and sustainable steel industry in Europe

ITRE/7/13720, 2013/2177(INI), COM(2013)0407
Rapporteur: András Gyürk (EPP, HU)
Opinions: INTA, EMPL, ENVI, IMCO, REGI

On behalf of the rapporteur, Mr Vidal-Quadras (EPP, ES) underlined that the European steel industry was a key link in the industrial value chain and that maintaining a competitive European steel production played a strategic role in ensuring economic growth and jobs in Europe.

3. Measures to reduce the cost of deploying high-speed electronic communications networks

ITRE/7/12388, 2013/0080(COD), COM(2013)0147

Rapporteur: Edit Herczog (S&D, HU)

Opinions: ENVI, IMCO, TRAN, CULT

The rapporteur stressed the need to find a fast solution and highlighted the situation in rural areas, together with the right of all citizens to have digital access. Regarding the amendments, she welcomed the consensus among groups on the importance of the issue. Nevertheless, views differed as to whether the proposal should be a regulation or a directive. She supported the Commission's initial proposal. She also addressed the amendments concerning the partial exclusion of some passive infrastructures, safety and security, the definition of high-speed and conditions for cooperation. She hoped that the dossier could be concluded under the current legislature.

Mr Hökmark (EPP, SE) was confident that broadband in 2020 would not be about 30 and 100 MBps. There was a clear need for higher speed, and he saw this proposal as an opportunity to leave such outdated targets behind. He warned against investing in excessively low capacities with a long duration, which could have an impact on the future, and advocated high targets with a high degree of flexibility. With regard to the legal instrument, he supported the use of a directive, which would be open and flexible in terms of using existing facilities, as he favoured fewer details and clear overall targets. He did not like the rapporteur's proposal for labelling, as it could become outdated and increase bureaucracy. For him, it was more important to ensure competition between the different stakeholders offering broadband. Mr Johansson (ALDE, SE) underlined the need to work towards more open networks. Ms Andersdotter (Greens/EFA, SE) was satisfied with the focus on rural areas, but was concerned that the use of a regulation could harm what was being done at local level. She also thought that the proposal favoured large companies. She highlighted the need to focus on investment strategies and more innovative deployments. Ms del Castillo Vera (EPP, ES) also supported the use of a directive, but noted that some amendments could concern only a regulation. Therefore, if the instrument was changed, a special review of such amendments would be necessary.

With regard to speed, the Commission representative explained that the proposal aimed to ensure investments with a view to achieving at least the goals of the Digital agenda, and these should be seen as a minimum speed. If the proposal was over-ambitious and was confusing objectives with scope, essential investments could be lost because the relevant technologies might not comply with them. Regarding the legal instrument, the Commission assessed the options and concluded that only a very focused proposal for a regulation would be able to rapidly achieve the goals of the Digital agenda. Moreover, a directive would take too long to be implemented and would lead to further fragmentation. He assured Members that the subsidiarity principle had been thoroughly assessed and that the proposal left enough room for local coordination. It was enabling rather than mandating a specific business model.

The rapporteur underlined that the ambition was not only to have high-speed access, but to make such access available to all citizens. She reiterated that the use of a directive was not a good solution, partly because she thought that ministers were not sufficiently pro-digital, as could be seen, for example, in the provision of financial resources for broadband.

<u>Timetable:</u>	vote in ITRE:	28 November 2013
	vote in plenary:	January 2014

4. Commission follow-up to the 'TOP TEN' Consultation of SMEs on EU Regulation

ITRE/7/13307, 2013/2711(RSP)

Rapporteur: Paul Rübiger (EPP, AT)

The rapporteur stated that SMEs should not be over-regulated and should be allowed to be competitive. He welcomed the “Top Ten” initiative as part of the REFIT exercise, and thought that it should become a regular part of the screening procedure. Concerning his suggestions, he highlighted the need to avoid gold-plating, the importance of ex-ante controls, SME scoreboard integration and a new impact assessment (IA) culture. Regarding micro-businesses, he was not in favour of their exemption.

The BEREC representative said that a targeted harmonisation was strongly supported, as NRAs were aware of the significant challenges. He did not share the negative picture of the EU telecommunications market's performance and considered that the IA did not properly assess several issues. He mentioned in particular broadband penetration, pricing and performance (EU-US comparisons) and price variations in the EU, etc. Concerning the single market authorisation, there was a need to bear in mind that European operators entering multiple markets had to be aware of different legal and tax regimes. He was confident that the authorisation processes could be simplified and pointed to a proposal on reducing the administrative burden for pan-European operators developed by BEREC. He was also in favour of sustaining and encouraging investments, highlighting in particular small innovators.

Ms del Castillo Vera (EPP, ES), the rapporteur, considered that the IA had suffered from being prepared in too short a time, in particular in the case of new elements which should have been thoroughly assessed, such as the single EU authorisation. The proposal should be simpler and there was also the problem of timing. Nevertheless, she undertook to submit the report for a vote at the April 2014 plenary. She also thought that BEREC should be allowed to speak on these issues in all debates. Mr Chichester (ECR, UK) thought that stakeholders' views were not being properly taken into account and challenged the Commission's view of market fragmentation. He also questioned the significant transfers of competences from NRAs, in contrast to announced minimal governance changes. He regretted the choice of option 2, as he would prefer to build upon the existing regulatory framework. He considered that there was no need for urgent legislation, and if there were areas where such legislation was necessary, this would be better addressed by a separate measure. Mr Audy (EPP, FR) also regretted this choice, as he preferred option 3. He questioned the market logic on which the EU was relying, which was having a negative impact on the establishment of infrastructure.

The Commission representative shared with BEREC the view that the status quo in the area of authorisation was far from optimal. Concerning the actual degree of fragmentation, he said it was not a question of the number of subscribers, but rather of whether different subscribers under a single corporate roof benefited from similar levels of competitive choice, pricing, etc. In his opinion, this was not the case in Europe. Consumers' experience showed massive fragmentation, which was due to the variations in regulation, the levels of competition in different national markets

and the conditions under which the spectrum was made available. He also referred to exogenous factors as an explanation for the variations in the sector. On the issue of benefits, he highlighted the need to ensure best practice on the part of various European markets in terms of competitiveness. Against this background, the Commission saw the proposal as pro-competitive as it aimed to increase the market dynamics which could accompany the sector towards future-oriented sustainable models. With regard to the spectrum, he explained that the Commission was proposing that Member States should be able to specify territorial coverage conditions accompanied by best practices, so that the spectrum assignment could be an engine for wireless coverage of most remote areas.

*** *Electronic vote* ***

6. CARS 2020: towards a strong, competitive and sustainable European car industry

ITRE/7/11711, 2013/2062(INI), COM(2012)0636

Rapporteur: Franck Proust (EPP, FR)

Opinions: INTA, BUDG, ECON, EMPL, ENVI, IMCO, TRAN

The draft report was adopted as amended (37 for, 5 against, 4 abstentions).

7. Opinion on the evaluation report regarding BEREC and the Office

ITRE/7/12036, 2013/2053(INI)

Rapporteur: Salvador Sedó i Alabart (EPP, ES)

Opinion: BUDG

The draft report was adopted as amended (44 for, 1 against, 0 abstentions).

8. Implementation report 2013: Developing and applying carbon capture and storage technology in Europe

ITRE/7/13221, 2013/2079(INI)

Rapporteur for the opinion: Vicky Ford (ECR, UK)

Responsible: ENVI

The draft opinion was adopted as amended (39 for, 5 against, 1 abstention).

9. ITER Programme

ITRE/7/14349, 2013/2916(RSP)

Rapporteur: Vladimír Remek (GUE/NGL, CZ)

The oral questions were adopted as amended (44 for, 0 against, 1 abstention).

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

11. Space surveillance and tracking support programme

ITRE/7/12177, 2013/0064(COD), COM(2013)0107

Rapporteur: Amelia Andersdotter (Greens/EFA, SE)

Opinions: AFET, BUDG, ENVI, TRAN, REGI

On behalf of the rapporteur, Mr Johansson (ALDE, SE) gave a brief overview of the objectives of the proposal. In terms of suggestions, he proposed that the European Space Agency's (ESA) know-how be taken on board via an agreement between the ESA and contributing Member States, as the ESA should be able to provide expertise. The scope of services should include the setting up of a publicly available catalogue of orbital elements of space objects and should also be open to any relevant addition services proposed at a later stage. The budget of EUR 70 million was included in the core text, as well as the general scope and specific objectives of the proposal. Moreover, the multiannual work programme should be considered by the Parliament prior to coming into force via delegated acts.

During the following discussion, Members mainly referred to the issue of the budget. For Ms Mazej Kukovič (EPP, SI), this was uncertain. The proposal should be more specific in this area, as it should be used for specific actions. Mr Prodi (A&D, IT) echoed her concerns about its uncertainty. He welcomed the fact that the rapporteur had included EUR 70 million in the text. On the other hand, Me Ehler (EPP, DE) supported the Commission's flexible approach, as he was concerned that it could endanger other programmes. However, he joined Ms Mazej Kukovič in highlighting the need to promote related research via Horizon 2020. Ms Carvalho (EPP, PT), rapporteur in BUDG, informed Members that the committee had already delivered its opinion. She would table the same amendments - insertion of EUR 70 million over seven years, to be drawn primarily from the Galileo and Copernicus programmes. Contributions from the Internal Security Fund and Horizon 2020 should also be possible, but these should be strictly limited to the protection of critical infrastructure and to space and security research. Mr Prodi would table amendments on defining the role of insurance companies covering the launch of satellites. He also proposed to create an ad-hoc high-level group on defining relations with the ESA and suggested that ENISA could play a role in the context of safety issues.

