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## **PRESS RELEASE**

3295th Council meeting

### **Competitiveness (Internal Market, Industry, Research and Space)**

Brussels, 20 and 21 February 2014

Presidents

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# **P R E S S**

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## ***Main results of the Council***

*Ministers held a debate on **industrial competitiveness** on the basis of the Commission communication “For a European Industrial Renaissance”, which proposes that industrial competitiveness concerns should be systematically mainstreamed across relevant EU policy areas such as environmental, climate, energy, trade, competition and state aid and regional policies. The outcome of the debate will feed into discussions on industrial competitiveness to take place at the next EU summit on 20 and 21 March.*

*Ministers also held debates on the Commission's **Annual Growth Survey (AGS)** for 2014 on policies under the remit of the Competitiveness Council. The AGS is the starting point for the European Semester, which involves simultaneous monitoring of the member states' fiscal, economic and employment policies during a six-month period every year.*

*Following the first report on the progress towards the implementation of the **European Research Area (ERA)**, the Council adopted conclusions on key elements that will contribute to the completion of the ERA.*

*The Council exchanged views on how to better develop the relationship between the **EU and the European Space Agency (ESA)**.*

*Finally, the Council took note of an agreement for the establishment of an European system for the **protection of satellites and space infrastructures**.*

*Without discussion, the Council adopted a directive aimed at improving the functioning of **copyright collecting societies** in the internal market and facilitating cross-border licensing of authors' **rights in online music**.*

*It also adopted a regulation concerning the notification to the Commission of investment projects in **energy infrastructure** within the EU.*

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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**ITEMS DEBATED****INTERNAL MARKET AND INDUSTRY****Annual growth survey 2014**

Ministers held debates on the Annual Growth Survey 2014, as a part of relevant Council deliberations in preparation for the spring European Council on 20 and 21 March.

On 13 November 2013, the Commission published its [Annual Growth Survey for 2014](#), which is an analysis of progress on the Europe 2020 targets for the creation of economic growth and jobs.

In order to encourage growth and competitiveness, the communication recommends that EU and national efforts should continue to focus on the following five priorities:

- Pursuing growth-friendly fiscal consolidation;
- Restoring normal lending to the economy;
- Promoting growth and competitiveness;
- Tackling unemployment and the social consequences of the crisis; and
- Modernising public administrations.

The debates focused on the measures that, under the remit of the Competitiveness Council, can improve economic performance and create added value in both the short and long term.

As regards *internal market aspects*, the importance of the Annual Growth Survey was largely recognised together with a clear message concerning the need to pursue internal market integration with the aim of creating growth and jobs. All member states reiterated their interest in bolstering the “Services Directive” and stressed the need for its ambitious implementation.

National reforms remain high on national policy agendas and thus the Commission work programme was welcome. Member states reported on current reforms, indicating priority services sectors, such as business services, trade, construction and professional services and considered that transparency, mutual evaluation and the exchange of best practices were the right tools for that purpose.

Several delegations also indicated that further work towards lifting barriers to the movement of services and products should be promoted in order to enhance the international competitiveness of the EU.



Many emphasised the need to work closely in partnership with the Commission so as to be able to reap the full economic benefits of the implementation of national reform programmes.

As regards *research and innovation aspects*, the debate showed that a wide range of policy initiatives are being undertaken in the member states under the national reform programmes, with a particular focus on actions aimed at enhancing innovation potential, improving knowledge transfer and strengthening the links between research and economic growth.

The majority of delegations outlined the need to keep investments in research and innovation at an appropriate level as this will contribute to the alleviation of societal problems and will also lead to the creation of growth and jobs.

The development of strategies for smart specialisation was cited as a fundamental source of progress in innovation, particularly by linking national and regional priorities with EU policy objectives.

Many drew attention to a number of areas hindering Europe's ability to translate research progress into innovative goods and services, pointing out that the main reasons for this commercialisation gap are: difficulties in accessing finance, market barriers and excessive red tape.

European research and innovation are held back by fragmentation and inadequate framework conditions, in particular the inability to translate research progress and results into innovative goods and services so as to enhance growth.

Accelerating the modernisation of national research systems in line with the objectives of the European Research Area was identified as a priority.

The debate highlighted the importance of mobilising all the available funding opportunities presented in Horizon 2020, COSME and the Structural Funds so as to supplement funding from national sources, and therefore the need to maximise synergies at national and EU levels.

Finally, the Council noted the benefits of innovation in other areas, including the creation of clusters for innovation, pre-commercial public procurement, participation in pan-European infrastructures, venture capital, and the framework of state aids for research and development.

\* \* \*

The Annual Growth Survey launches the European Semester.

The European Semester forms part of a new governance architecture that was approved by the member states in 2010. It is a six-month period every year during which the member states' budgetary and structural policies are reviewed to detect any inconsistencies and emerging imbalances. The aim is to reinforce coordination while major budgetary decisions are still under preparation.

In the monitoring cycle, the European Council each March identifies the main economic challenges facing the EU and give strategic advice on policies. Taking this guidance into account, the member states present their medium-term budgetary strategies in their stability and convergence programs. At the same time, they draw up national reform programmes setting out the action to be taken to strengthen their policies in several areas.

Together with the Annual Growth Survey, the Commission presented the second [Single Market integration report](#), aimed at monitoring the functioning of the single market within the European Semester process. The report presents an analysis of the state of single market integration in five sectors with the highest growth potential: services, financial services, energy, transport and digital markets. Some of these issues were the subject of Council conclusions adopted last December ([16443/13](#)).

## Industrial competitiveness

Ministers held a policy debate on fostering industrial competitiveness following a presentation by the Commission of the communication "[For a European industrial renaissance](#)". They also heard presentations on three other recent Commission communications in fields relevant to industrial competitiveness and economy recovery:

- "A vision for the internal market for industrial products" ([5742/14](#))
- "Energy prices and costs in Europe" ([5599/1/14 REV 1](#))
- "A policy framework for climate and energy in the period from 2020 to 2030" ([5644/14](#))

The Presidency, considering that industrial competitiveness is likely to figure prominently on the agenda of the Spring European Council on 20 and 21 March, put forward three questions for ministers to discuss in order to define priority actions to improve industrial competitiveness in Europe during the next five years ([5810/14](#)).

Member States in general supported the targets and priorities of the Communication, highlighting the pre-eminent importance of industry for economic growth and focusing on implementing the initiatives proposed by the Commission.

A broad consensus emerged on the importance of intensifying the mainstreaming of industrial competitiveness in other policy areas. The importance of coordinating different European policies was also emphasised. In this context, the need to strengthen the horizontal role of the Competitiveness Council was reiterated.

Energy prices and the need for a single energy market were highlighted as important elements affecting industrial competitiveness. Several Member States mentioned the need for a more balanced approach between the EU's industrial, energy and climate policies.

The uninterrupted supply of raw materials at affordable prices was also said to be critical to the competitiveness of European industry.

Member States were in favour of streamlining all relevant funds, including Structural Funds, in order to stimulate investment and innovation. In this context, they highlighted the important contribution of smart specialisation in enhancing the specific innovation-related growth potential of the European regions.

Greater support for SMEs with an emphasis on improving the regulatory environment and their access to finance, as well as ensuring a well-functioning internal market, were said to be critical for a European industrial policy that could deliver on growth and job creation.

Several Member States mentioned the need for a harmonised approach to industrial challenges by focusing mainly on creating the right framework conditions for all industrial sectors.

Finally, the role of clusters in creating favourable conditions for innovative SMEs and the development of a digital single market were also mentioned.

In its communication for a European industrial renaissance, the Commission calls on member states to recognise the central importance of industry for boosting competitiveness and sustainable growth in Europe and for a systematic consideration of competitiveness concerns across all policy areas.

It also calls for the endorsement of the reindustrialisation efforts in line with the Commission's aspiration of raising the contribution of industry to GDP to as much as 20 % by 2020.

To that end, it considers that the following priorities should be pursued to support the competitiveness of European industry:

- to deepen the mainstreaming of industrial competitiveness in other policy areas;
- to maximise the potential of the internal market for products, capitals and services;
- to implement the instruments of regional development with national and EU instruments in support of innovation, skills and entrepreneurship;
- to encourage investment and facilitate businesses' access to critical inputs, such as energy and raw materials, at affordable prices; and
- to facilitate the integration of EU firms in global markets.

Last December, the Council adopted conclusions on industrial policy ([17202/13](#)). The conclusions put forward recommendations on a broad range of issues affecting industrial competitiveness such as innovation, measures to facilitate access to finance, improved market conditions (internal market, third country markets, energy markets, including a level-playing field vis-à-vis third country energy producers and access to raw materials) and human capital.

***Euro-Mediterranean industrial cooperation***

Ministers took stock of the outcome of the 9th ministerial meeting of the Union for the Mediterranean on industrial cooperation, held in Brussels on 19 February.

Industrial cooperation under the Euro-Mediterranean partnership is helping to create an area of shared prosperity between the EU and Mediterranean partner countries. EU and Mediterranean industry ministers meet every 2 years to take stock of progress, decide on future priorities and adopt a 2-year work programme. On 11 and 12 May 2011, industry ministers met for the eighth time in Malta and adopted a work programme for 2011-2012.

<http://ufmsecretariat.org/ufm-ministerial-meeting-on-euro-mediterranean-industrial-cooperation/>

## **RESEARCH AND INNOVATION**

### **Progress towards the achievement of the European Research Area**

The Council adopted conclusions on the progress made towards the realisation of the European Research Area (ERA) ([6353/14](#)).

The conclusions address a number of specific issues to be taken into account in developing the ERA in order to achieve a genuine single market for knowledge, research and innovation.

The ERA is expected to reinforce excellence for research across Europe, thereby increasing Europe's global competitiveness and its capability to tackle major societal challenges successfully.

The conclusions also refer to the first ERA progress report, issued by the Commission on 20 September 2013 ([13812/13](#)). The report shows that much has already been achieved towards the construction of the ERA and gives indications of possible areas for future action.

The following priorities were identified for achieving a reinforced ERA partnership for excellence and growth:

- More effective national research systems
- Optimal transnational cooperation and competition
- An open labour market for researchers
- Gender equality and gender mainstreaming in research
- Optimal circulation, access to and transfer of scientific knowledge.

## **Private and public partnerships: Innovation investment package**

The Council took note of information provided by the Presidency on the progress of ongoing negotiations with a view to launching private and public partnerships for research and innovation.

A last round of negotiations between the Hellenic Presidency and European Parliament representatives took place on 19 February, where both parties undertook to take the work forward in order to finalise the legislative process as soon as possible.

A new generation of public and private partnerships will implement major elements of the Innovation Union strategy to stimulate the creation of growth and jobs. These partnerships will allow large-scale, long-term innovation activities to be carried out under the umbrella of Horizon 2020.

The "Innovation Investment Package" consists of nine proposals, four of which come under article 185 of the EU treaty and five under article 187 of the EU treaty.

- The article 185 initiatives include the following four areas, where research and innovation efforts will be focused:
  - the European and Developing Countries Clinical Trials Partnership 2 (EDCTP2), which will be looking at new or improved medical interventions against poverty-related diseases for the benefit of and in partnership with developing countries, in particular sub-Saharan African countries;
  - the Active and Assisted Living Joint Programme (AAL) will enhance the availability of information and communication technology-based products and services for active and healthy ageing;
  - the European Metrology Programme for Innovation and Research (EMPIR) will address the challenges faced by the European Metrology Research System and will maximise the benefits of improved measurement solutions for Europe;
  - the Eurostars 2 Joint Programme will promote market-oriented transnational research activities for research and development performing small and medium-sized enterprises (SMEs).

- The proposals for Joint Technology Initiatives, or public-private partnerships, under article 187 are the following:
  - the Bio-Based Industries Joint Undertaking will support bio-based industries and will focus on three main streams of activities: feedstock, biorefineries and markets;
  - the Clean Sky 2 Joint Undertaking for aeronautical research will integrate the technological advancements of CleanSky 1 into a large-scale, in-flight demonstration of novel vehicle configurations. It will develop and demonstrate new breakthrough technologies to cut aircraft emissions and noise, and secure the future international competitiveness of the European aviation industry;
  - the ECSEL Joint Undertaking will aim at strengthening competitiveness in micro and nanotechnologies and smart embedded components and systems;
  - the Fuel Cells and Hydrogen 2 Joint Undertaking will continue to develop a portfolio of clean, efficient and affordable fuel cells and hydrogen technologies to the point of market introduction and help secure the future international competitiveness of this strategically important sector in Europe;
  - the Innovative Medicines Initiative 2 Joint Undertaking's objective is to improve the drug development process by supporting more efficient research and development cooperation among academia, small and medium enterprises and the biopharmaceutical industry, in order to deliver better and safer medicines for patients.



## **SPACE POLICY**

### **EU-ESA cooperation**

Following a presentation by the Commission of a progress report on relations between the EU and the European Space Agency (ESA) ([5978/14](#)), the Council examined ways to improve cooperation between the organisations to prepare to face forthcoming challenges in space policy projects.

The Presidency announced its intention to draft Council conclusions on the subject, based on the discussions and the Commission progress report, with a view to submitting them for adoption at the Competitiveness Council in May.

Member states pointed out that enhanced cooperation with the ESA could contribute towards stimulating further growth through space systems, technologies and services.

Several delegations pointed out that some of the scenarios presented in the Commission's progress report, or in combination with other elements, could lead to more efficient cooperation. Some delegations, however, expressed the need for further cost-benefit analysis.

All delegations were of the view that the experience in the management of EU space programmes (GNSS/Galileo and Copernicus) will have to be taken into account in order to prepare the ground for a more forward-looking vision.

The [EU-ESA framework agreement](#), signed in May 2004 and renewed until 2016, provides a common basis for efficient and mutually beneficial cooperation, as well as the legal basis for programmatic cooperation between the EU and the ESA, including the ESA's role in delivering EU space programmes.

The Council conclusions of 31 May 2011 ([10901/11](#)) recalled "that the European space policy governance is based on three main actors, the EU, ESA and their respective member states, and underlined that the Union's enhanced role in European space policy goes hand in hand with increased interaction among these three actors based on the complementarity of their roles and responsibilities". The conclusions also welcomed the Commission's commitment to further developing the EU-ESA relationship avoiding any unnecessary duplication of activities and improving their complementarity of efforts.

Moreover, conclusions adopted by the Council on 18 February 2013 ([6571/13](#)) recognised that there may be a need to review and enhance the functioning of the relationship between the EU and ESA in view of the changes in the political context, the increasing role of the EU in the space domain, competitiveness challenges faced by the space sector and the growing importance of space activities for society, and that the current agreement may no longer provide the most appropriate framework with which to ensure an efficient and effective European space policy that fully utilises in a coherent manner the respective competencies of both the EU and ESA.

**ANY OTHER BUSINESS**– *Tourism: coastal strategy and quality principles*

The Council took note of presentations by the Commission on two recent proposals concerning a European strategy for coastal and maritime tourism and a recommendation on European tourism quality principles<sup>1</sup>.

The communication on a "European strategy for more growth and jobs in coastal and maritime tourism in the EU" aims at promoting the sustainable economic growth of the maritime and coastal tourism sector and to enhance its competitiveness.

The recommendation outlining a set of European Tourism Quality Principles seeks to improve the quality of tourism services across the EU.

The Hellenic Presidency announced the organisation of a high-level conference on tourism in March.

– *Impact of a “traffic light” nutrition labelling system*

The Italian delegation, supported by several delegations, drew the attention of the Council to a “traffic light” system for food labelling developed by the United Kingdom which aims at classifying foods on the basis of a colour code, based on the content of the product, and the effects of that system on the free circulation of goods in the internal market as well as the correct information for consumers ([5899/14](#)).

The Commission took note of the concerns expressed by the Italian delegation and recalled that the system developed by the United Kingdom is a voluntary system made possible by the current legislation on labelling. It also indicated that it will examine the requests made by the Italian delegation, paying attention to the scheme's respect for the principles of the functioning of the internal market.

The United Kingdom delegation recalled the voluntary nature of the scheme and stated that it will continue to monitor the scheme in order to guarantee that it operates without creating obstacles in the functioning of the internal market.

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<sup>1</sup> [http://europa.eu/rapid/press-release\\_IP-14-168\\_en.htm](http://europa.eu/rapid/press-release_IP-14-168_en.htm)

– *State aid reform*

The Council took note of updated information from the Commission concerning the ongoing modernisation of state aid rules, in particular the approval by the Commission on 20 February of the new guidelines on how member states can support airports and airlines in line with EU state aid rules<sup>2</sup>.

The aviation guidelines are aimed at ensuring good connections between regions and the mobility of European citizens, while minimising distortions of competition in the internal market. They are part of the state aid modernisation strategy, which aims at fostering growth by encouraging more effective aid measures and focusing the Commission's scrutiny on cases with the biggest impact on competition.

– *Unified Patent Court Agreement*

The Council took note of updated information from the Commission concerning the state of preparations for the establishment of a Unified Patent Court.

The "patent package" consists of two regulations establishing the unitary patent system and an international agreement establishing the Unified Patent Court (UPC).

The UPC has been signed by all member states except Spain, Poland and Croatia. Only Austria and Malta have ratified it so far.

Two committees are currently in charge of work in preparation for the entry into force of the new patent system: the Select Committee for the unitary patent, operating under the auspices of the European Patent Organisation in Munich, and the Preparatory Committee for the Unified Patent Court, operating as an intergovernmental body.

– *e-Invoicing in public procurement*

The Council took note of information provided by the Presidency (6305/14) on the political agreement achieved with the European Parliament at first reading on a draft directive on electronic invoicing in public procurement. A final vote in the plenary session of the European Parliament is scheduled to take place on 11 March.

*See press release:*

[http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/intm/140787.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/intm/140787.pdf)

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<sup>2</sup> [http://europa.eu/rapid/press-release\\_IP-12-458\\_en.htm](http://europa.eu/rapid/press-release_IP-12-458_en.htm)

– *Statute for a European Foundation*

The Council took note of information from the Presidency about the state of play regarding a draft regulation aimed at establishing the Statute for a European Foundation.

The proposal has been examined under successive Presidencies without reaching the required unanimity in the Council.

In November last year, the EU's Permanent Representatives Committee (Coreper) agreed to have tax provisions deleted from the proposal. Although the Commission regretted this deletion, it paved the way for a renewed examination of the proposal.

The Presidency announced its intention to take the work forward without delay with a view to making rapid progress in the negotiations.

– *International cooperation in the field of research*

The Council took note of information provided by the Commission on international cooperation in the field of research ([6413/14](#)).

The Croatian delegation expressed the wish to find a constructive solution in order to resume negotiations with Switzerland on that country's association with the EU's research framework programme Horizon 2020.

The Polish delegation drew attention to the situation of students and researchers in Ukraine given the dramatic events currently occurring in the country.

– ***Space Surveillance and Tracking***

The Council took note of the agreement reached with the European Parliament with a view to establishing a European surveillance and tracking framework aimed at enhancing the security of space infrastructures and the safety of satellite operations by reducing collision risks and helping to monitor space debris ([5841/14](#) + [COR1](#)).

Space-based applications and derived services, as well as space research, have become critical for the implementation of EU policies.

The establishment of a Space Surveillance and Tracking service is essential for the protection of space-based systems and infrastructures against the increasing risks threatening them.

*For more information see press release [6014/14](#).*

– ***International space exploration forum***

The Council took note of the outcome of the “International space exploration forum” that took place in Washington DC on 9 and 10 January 2014.

The objective of the forum, which gathered representatives from over 30 countries, is to further advance the exploration and utilisation of space and to highlight their direct benefit to humankind.

<http://www.state.gov/r/pa/prs/ps/2014/01/219550.htm>

**OTHER ITEMS APPROVED****INTERNAL MARKET****Sound level of motor vehicles**

The Council adopted its first-reading position on a draft regulation aimed at reducing the noise of motor vehicles<sup>3</sup> ([17695/13](#) + [ADD 1](#) + [ADD 1 COR 1](#)).

The text of the Council's position reflects the compromise reached with the European Parliament last November (*see press release [16326/13](#)*). It will have to be confirmed through a vote in the European Parliament at second reading.

The regulation seeks to improve the functioning of the internal market by establishing the administrative and technical requirements for the EU type-approval of certain new vehicles with regard to their sound level and their exhaust systems, and for the sale and entry into service of parts and equipment intended for those vehicles. It takes also into account the objectives of protection of public health and protection of the environment.

The regulation will introduce a new testing method for measuring the sound emissions of motor vehicles as well as lower noise limit values for different categories of light, medium-sized and heavy vehicles. It will also provide for a minimum sound level in the case of electric and hybrid-electric vehicles.

**Chemicals - Classification and labelling of substances**

The Council adopted a directive updating five existing directives in the area of health and safety at work to take account of the new system for the classification and labelling of substances and mixtures within the Union ([PE-CONS 125/13](#)).

The amended directives (92/58/EEC, 92/85/EEC, 94/33/EC, 98/24/EC and 2004/37/EC) contain references to EU chemical classification and labelling legislation which became outdated following the adoption of regulation 1272/2008 on the classification, labelling and packaging of substances and mixtures. This regulation implements the United Nations Globally Harmonised System of Classification and Labelling<sup>4</sup> within the EU.

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<sup>3</sup> The Netherlands delegation voted against ([6414/14 ADD 1 REV 1](#)).

<sup>4</sup> [http://www.unece.org/trans/danger/publi/ghs/ghs\\_welcome\\_e.html](http://www.unece.org/trans/danger/publi/ghs/ghs_welcome_e.html)

## Sectoral product harmonisation - New legislative framework

The Council approved the recast of eight directives in order to adapt them to the EU's new legislative framework on sectoral product harmonisation.

The recast seeks to further harmonise and simplify national laws applicable to:

- explosives for civil uses ([PE-CONS 47/13](#), [6386/14 ADD 1](#))
- simple pressure vessels ([PE-CONS 48/13](#), [6387/14 ADD 1](#))
- electromagnetic compatibility ([PE-CONS 49/13](#), [6389/14 ADD 1](#))
- non-automatic weighing instruments ([PE-CONS 50/13](#), [6390/14 ADD 1](#))
- measuring instruments ([PE-CONS 51/13](#), [6391/14 ADD 1](#))
- lifts and safety components for lifts ([PE-CONS 52/13](#), [6392/14 ADD 1](#))
- equipment for use in potentially explosive atmospheres ([PE-CONS 53/13](#), [6393/14 ADD 1](#))
- electrical equipment designed for use within certain voltage limits ([PE-CONS 54/13](#), [6395/14 ADD 1](#))

The EU's "new legislative framework", which was adopted in 2008, is a general measure of the internal market with the objective of strengthening the effectiveness of the Union's legislation on product safety and its implementation mechanisms, and ensuring greater consistency throughout all the different economic sectors. This framework is also part of the Union's policy in terms of simplification of regulations and the reduction of administrative burdens.

Its effective implementation brings about a modernised legal environment for companies, strengthens the safety of products available on the market, and ensures a better functioning internal market for instance through equal treatment of economic operators on the market.

It is made up of two complementary texts: regulation 765/2008 outlining the requirements concerning accreditation and surveillance for the marketing of products, and decision 768/2008/EC relating to a common framework for the marketing of products.

## **INTELLECTUAL PROPERTY**

### **Collective management of copyright and licensing of online music**

The Council adopted a directive on collective management of copyright and multi-territorial licensing of online music ([PE-CONS 115/13](#) and [6434/14 ADD 1](#)).

The directive pursues two complementary objectives:

- to increase transparency and efficiency in the functioning of copyright collective management organisations, and
- to facilitate the granting of cross-border licensing of authors' rights in online music.

*For more information see press release [6654/14](#).*

## **GENERAL AFFAIRS**

### **EU cohesion policy - Code of conduct on partnership**

The Council decided not to object to a Commission regulation providing for a European code of conduct on partnership ([5703/14](#)).

Partnership is one of the key principles of the European Union funds managed by the EU and Member States together in "shared management". The partnership principle implies close cooperation between public authorities at national, regional and local levels in the member states and with the private and other sectors.

Experience shows, however, that member states implement the partnership principle in very different ways, depending on national institutional set-ups and traditions of stakeholder involvement. The code of conduct is intended to provide a framework for partnership, in accordance with member states' institutional and legal frameworks, taking account of national and regional competences.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects.



## **FOREIGN AFFAIRS**

### **EU-Armenia cooperation agreement - Participation in EU programmes**

The Council approved the conclusion of a protocol to the EU-Armenia partnership and cooperation agreement on the principles for the participation of Armenia in EU programmes.

## **ECONOMIC AND FINANCIAL AFFAIRS**

### **Reduced tax rates on traditional rum from Guadeloupe, French Guiana, Martinique and Réunion**

The Council adopted a decision authorising France to apply reduced rates of excise duties and of the contribution levied for the national sickness insurance fund (cotisation sur les boissons alcooliques) to traditional rum produced in the four outermost regions of Guadeloupe, French Guiana, Martinique and Réunion and sold on the French mainland ([6240/14](#)).

The Council decision is aimed at addressing the difficulty for traditional rum to compete on the EU market due to higher production costs, higher freight costs and higher taxes (since traditional rum is typically marketed at higher levels of alcohol, ranging from 40° to 59°).

The cumulative fiscal advantage authorised must not exceed 50 % of the full rate for alcohol. The derogation applies until 31 December 2020 and is limited to an annual quota of 120000 hectolitres of pure alcohol.

## **TRADE POLICY**

### **Kimberley Process on control of rough diamonds - Greenland**

The Council adopted a decision setting out the rules for the participation of Greenland in the system of certification and on trade controls for rough diamonds ([17985/13](#)).

The EU is a participant in the Kimberley Process (KP) certification scheme for the international trade in rough diamonds. As a participant, it has to ensure that a certificate accompanies each shipment of rough diamonds imported into or exported from the territory of the Union.

The decision will enable Greenland to export rough diamonds accompanied by the EU certificate issued for the purposes of the KP certification scheme.

The Council also amended regulation 2368/2002, which sets up the EU system of certification for the purposes of implementing the KP certification scheme ([PE-CONS 136/13](#)).

### **Lifting of tuna import restrictions - Bolivia, Georgia**

The Council adopted a regulation repealing regulation 827/2004 on the prohibition of imports of Atlantic bigeye tuna originating in Bolivia, Cambodia, Equatorial Guinea, Georgia and Sierra Leone.

In 1998, the International Commission for the Conservation of Atlantic Tunas (ICCAT) adopted a resolution identifying Bolivia, Cambodia, Equatorial Guinea, Georgia and Sierra Leone as countries whose vessels fish Atlantic bigeye tuna in a way that diminishes the effectiveness of its conservation and management measures. This led to the adoption of regulation 827/2004.

In 2005, the Council amended the regulation to lift the prohibition on imports of Atlantic bigeye tuna and its products from Cambodia, Equatorial Guinea and Sierra Leone after the ICCAT acknowledged the efforts had been made by the three countries to address its concerns. In 2011, the ICCAT also acknowledged the actions taken by Bolivia and Georgia. The regulation is therefore repealed.

## **ENERGY**

### **Investment projects in energy infrastructure**

The Council adopted a regulation concerning the notification to the Commission of investment projects in energy infrastructure within the EU ([PE-CONS 117/13](#)).

Obtaining an overall picture of the development of investment in energy infrastructure in the Union is essential for the development of European energy policy. The availability of regular and up-to-date data and information will enable the Commission to make comparisons and evaluations, or to propose relevant measures, in particular concerning the future energy supply/demand balance. In this way, greater attention will be paid to investment in energy infrastructure in the Union, in particular with a view to anticipating problems, promoting best practices and establishing greater transparency in the future development of the Union's energy system.

*For more details see press release [6754/14](#).*

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