



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary record of the meeting of the **Committee on Industry, Research and Energy (ITRE)** of the European Parliament, held in Brussels on 17-18 March 2014

The Committee held an exchange of views with the newly appointed Director General of DG ENER, Mr Dominique RISTORI. Members also discussed and voted on the safety of nuclear installations. The Telecoms package and the Innovation Investment package were adopted. An update was given on TTIP negotiations (held in camera, not covered).

The meeting was chaired by Ms SARTORI (EPP, IT) (Chair), Mr TOŠENOVSKÝ (ECR, CZ) and Mr CHICHESTER (ECR, UK).

1. Amendment to Council Directive 2009/71/EURATOM of 25 June 2009 establishing a Community framework for the nuclear safety of nuclear installations

ITRE/7/14357, 2013/0340(NLE), COM(2013)0715
Rapporteur: Romana Jordan (EPP, SI)
Opinions: ENVI, JURI

The rapporteur presented the seven compromise amendments on transparency, safety objectives, on-site emergency plans and periodic safety reviews for licence holders. A common agreement could not be found on the peer reviews; two compromises (7a and 7b) were therefore drafted. Regarding the change of legal basis, she requested that the existing legislative framework should be respected. She considered that the Euratom Treaty was the proper legal basis, even though she agreed that, by definition, the EP should strive for a stronger role. She informed Members that the plenary vote had been advanced from the April II to the April I part-session.

During the discussion, Members expressed divergent views on the issue of the legal basis and the independence of national regulatory authorities (NRAs). On the former, Mr CORREIA DE CAMPOS (S&D, PT) favoured the change to the Lisbon Treaty that would allow the EP to act as the co-legislator. In contrast, Ms GROSSETÊTE (EPP, FR), Mr VIDAL-QUADRAS (EPP, ES) and Mr PAŠKA (EFD, SK) called for maintaining the Euratom Treaty. On the latter, Mr CORREIA DE CAMPOS supported the Commission's role as a coordinator. Even though the EPP group as a whole supported compromise 7a, some Members (Ms GROSSETÊTE (FR) and Mr BŘEZINA (CZ)) were against the Commission exercising influence over NRAs and joined Mr TOŠENOVSKÝ (ECR, CZ) and Mr PAŠKA in supporting compromise 7b.

The Commission representative said that it was crucial that the file be concluded in the current parliamentary term. He could support all the amendments fully or in part and welcomed those endorsing regulatory independence, transparency and greater security of nuclear installations. Concerning the peer reviews, the Commission preferred compromise 7a. With regard to the legal basis, he recalled that in 2002 the ECJ had endorsed Article 31 of the Euratom Treaty as the legal basis for nuclear safety . Moreover, the proposal was only amending the existing directive.

The rapporteur hoped that the issue of the legal basis would not result in deferral of the report to the next parliamentary term. Concerning the independence of NRAs, in her view compromise 7a allowed it; only the Commission had certain rights when it came to ENSREC. But both compromises improved the safety of nuclear installations.

2. Exchange of views with Dominique Ristori, Director-General of DG ENER, on EU energy policy

Mr RISTORI reiterated the need for an EU energy policy based on a proper balance between competitiveness and sustainability. He summarised the global situation, pointing out in particular that demography, urbanisation and increased competition at the geopolitical level on access to energy sources were shaping the current state of matters. Against this background, he saw a need for the EU:

- to continue a balanced approach towards decarbonisation (2030 objectives, CO2 reductions, clean coal technologies, a market-based approach for renewables, a balanced energy mix);
- to deepen the internal market (network infrastructures and a strong regional approach for interconnections);
- to focus on demand policy and energy efficiency (e.g. in the construction, transport and equipment sectors);
- and to pay attention to costs and prices (patents and innovative research).

In the field of nuclear energy, the EU should have the best possible standards for safety.

All Members welcomed Mr RISTORI's nomination as new Director General of DG ENER. They inquired about various issues, including energy prices (Ms GROSSETÊTE (EPP, FR), Mr CORREIA DE CAMPOS (S&D, PT), the competitiveness of energy-intensive industries and manufacturing in the EU (Ms GROSSETÊTE and Ms HIBNER (EPP, PL)), renewables (Mr PRODI (S&D, IT)), including subsidies (Mr VIDAL-QUADRAS (EPP, ES) and Ms GROSSETÊTE), energy efficiency (Mr CORREIA DE CAMPOS and Mr VIDAL-QUADRAS), energy mix (Mr VIDAL-QUADRAS and Ms HIBNER), smart grids (Mr CORREIA DE CAMPOS), interconnections (Mr CORREIA DE CAMPOS), necessary funding and investments (Mr VIDAL-QUADRAS) and biomass (Mr PRODI).

Mr RISTORI supported the link between energy and industry, which was high on the agenda of Member States and would hopefully be put into practice. Regarding energy costs, he referred to the big differences between wholesale and retail prices and national differences between industrial and domestic prices. In this context, he saw a need for a more consistent overarching European approach taking industrial competitiveness into consideration as a starting point. Concerning state aid, he highlighted the need to ensure better compatibility of competition, energy, industry and environmental policies. Discussions were on-going with regard to the exemption for energy intensive industries and he hoped for a non-restrictive list that would cover the maximum of basic sectors, so that they could remain in Europe.

Regarding smart grids, he was worried that the EU was lagging behind in research and patents for smart meters and smart homes. This issue should urgently be addressed. Better use of new technologies in the field of energy, including the ITC, was essential. Mr RISTORI agreed that energy efficiency should be at same level of strategic importance as renewables. The Commission would evaluate and present a proposal on the issue after the summer break. In this context, he saw a huge potential for progress in the transport, construction and equipment sectors. Concerning financing, he agreed that a lot of resources would be required in coming years, in particular for transport and distribution, power plants approaching the end of their life cycle, and storage. Investments in energy needed a stable legal framework which was predictable for investors. In addition, he considered that needs should be presented jointly with the operators to the financial markets, thus highlighting the priority of investments in the energy sector. With regard to storage, he acknowledged that it had not been not a priority in the past and this should be rectified. Interconnections would be assessed and the Commission would issue a proposal based on that assessment. As to biomass and agricultural residues, he thought that all energy resources had to be taken into consideration. Concerning the 2030 climate and energy framework and Polish interests, he highlighted a greater flexibility for Member States to choose their energy mix, a market-based approach for renewables and opening up shale gas enabling those Member States who so wished to undertake the necessary exploration.

3. Implementation of Horizon 2020: Commission update on the state of play of association and cooperation agreements

The Commission representative briefly informed Members on the state of play of the association and cooperation agreements under Horizon 2020 for EFTA, pre-accession and neighbourhood countries. She also recalled the mechanisms of association. As to the scientific and technological cooperation agreements, she specified that their renewal was not linked to the framework programme.

Replying to the questions of Members, she said that the occupied territories in Israel could not participate in Horizon 2020. Concerning Switzerland, the country could not be involved at this stage. It may participate as a third country in Horizon 2020, but not at an equal footing with the Member States. She said that the negotiations were currently suspended, but that discussions were still on-going. With regard to the dissemination of information, the Commission had a wide and well functioning network of information, together with national contact points in Member States and associated countries, and an EU research and innovation portal.

4. Update on TTIP negotiations (Transatlantic Trade and Investment Partnership)

In camera. Not covered.

5. Second interim evaluation of the risk-sharing financial facility (RSFF): Presentation by the Commission, including recommendations for Horizon 2020 implementation

The representative of the Independent Expert Group recalled what the RSFF was and presented the general context of the evaluation. Its results showed that the RSFF was attractive for R&D companies and exceeded its loan volume targets and improved geographical coverage. The Commission representative presented ten recommendations, including the need to strengthen and expand the partnership between the Commission and the European Investment Bank (EIB) in the context of the RSFF; to facilitate and construct a platform in which other resources could be added; to target the resources more on innovative SMEs and mid-caps; to implement appropriate risk-mitigation measures; etc. He also stressed that the tool should be demand-driven. Another Commission representative presented a link between RSFF and new orientations of the Horizon 2020, in particular how financial instruments would mainly be dedicated to supporting innovative SMEs and small mid-caps. He announced that a new successor to the RSFF and the RSI (risk-sharing instrument) would be launched together with the EIB and EIF (European Investment Fund), in a partnership with COSME. The key issue was relevant governance. A mid-term evaluation would be introduced again. It was not legally required, but was considered an efficient monitoring and management tool.

In reply to the question on leverage, there was a mobilisation of the financial actors in the RSFF that would not happen elsewhere and the expertise involved raised the interest in co-financing. The partnership could also be extended with additional resources. Support was expressed for a platform using the RSFF in developing sector-focused schemes. In relation to debt versus equity, there could be an opportunity in future to combine both. As to the choice between an entrusted entity and financial intermediaries, new products would be launched with the EIB which would use intermediaries in particular for mid-caps. Regarding country coverage, a correlation between the size of the country and the size of projects that the EIB could fund was established. Nevertheless, with the GFI and MCI (Growth Finance Initiative and Mid-cap Initiative), the EIB would be able to address the needs of companies from smaller countries better.

*** *Electronic vote* ***

Adoption of compromise texts as agreed with the Council

Electronic identification and trust services for electronic transactions in the internal market

ITRE/7/09803, 2012/0146(COD), COM(2012)0238

Rapporteur: Marita Ulvskog (S&D, SE)

(46 in favour, 5 against, 0 abstentions)

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)

(52 in favour, 0 against, 0 abstentions)

Participation of the Union in a Research and Development Programme jointly undertaken by several Member States aimed at supporting research performing small and medium-sized enterprises

ITRE/7/13411, 2013/0232(COD), COM(2013)0493

Rapporteur: Miloslav Ransdorf (GUE/NGL, CZ)

(52 in favour, 0 against, 0 abstentions)

Participation of the Union in a European Metrology Programme for Innovation and Research jointly undertaken by several Member States

ITRE/7/13403, 2013/0242(COD), COM(2013)0497

Rapporteur: Niki Tzavela (EFD, EL)

(56 in favour, 0 against, 0 abstentions)

Participation of the Union in a second European and Developing Countries Clinical Trials Partnership Programme jointly undertaken by several Member States

ITRE/7/13414, 2013/0243(COD), COM(2013)0498

Rapporteur: Vicky Ford (ECR, UK)

(51 in favour, 0 against, 0 abstentions)

Participation of the Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several Member States

ITRE/7/13397, 2013/0233(COD), COM(2013)0500

Rapporteur: Claude Turmes (Greens/EFA, LU)

(55 in favour, 0 against, 1 abstention)

Innovative Medicines Initiative 2 Joint Undertaking

ITRE/7/13392, 2013/0240(NLE), COM(2013)0495

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

(51 in favour, 3 against, 0 abstentions)

Bio-Based Industries Joint Undertaking

ITRE/7/13375, 2013/0241(NLE), COM(2013)0496

Rapporteur: Lambert van Nistelrooij (EPP, NL)

(51 in favour, 1 against, 5 abstentions)

ECSEL Joint Undertaking

ITRE/7/13407, 2013/0234(NLE), COM(2013)0501

Rapporteur: Paul Rübzig (EPP, AT)

(55 in favour, 0 against, 0 abstentions)

Clean Sky 2 Joint Undertaking

ITRE/7/13341, 2013/0244(NLE), COM(2013)0505

Rapporteur: Christian Ehler (EPP, DE)

(48 in favour, 3 against, 1 abstention)

Fuel Cells and Hydrogen 2 Joint Undertaking

ITRE/7/13344, 2013/0245(NLE), COM(2013)0506

Rapporteur: Vladko Todorov Panayotov (ADLE, BG)

(57 in favour, 0 against, 5 abstentions)

Joint Undertaking to develop the new generation European air traffic management system (SESAR) as regards the extension of the Joint Undertaking until 2024

ITRE/7/13338, 2013/0237(NLE), COM(2013)0503

Rapporteur: Britta Thomsen (S&D, DK)

(57 in favour, 0 against, 0 abstentions)

Adoption of draft reports

European single market for electronic communications

ITRE/7/13786, 2013/0309(COD), COM(2013)0627

Rapporteur: Pilar del Castillo Vera (EPP, ES)

(30 in favour, 12 against, 14 abstentions)

Establishing the Shift2Rail Joint Undertaking

ITRE/7/14835, 2013/0445(NLE), COM(2013)0922

Rapporteur: Josefa Andrés Barea (S&D, ES)

(54 in favour, 0 against, 0 abstentions)

Amendment to Council Directive 2009/71/EURATOM of 25June2009 establishing a Community framework for the nuclear safety of nuclear installations

ITRE/7/14357, 2013/0340(NLE), COM(2013)0715

Rapporteur: Romana Jordan (EPP, SI)

(37 in favour, 15 against, 3 abstentions)

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

Next meeting(s)

- 7 April 2014, 15.00 – 18.30 (Brussels)