

COUNCIL OF THE EUROPEAN UNION



7475/11 PRESSE 53 PR CO 13

PRESS RELEASE

3074th Council meeting

Competitiveness (Internal Market, Industry, Research and Space)

Brussels, 9-10 March 2011

President Mr Zoltán Cséfalvay

Minister of State for Strategic Affairs of Hungary

PRESS

7475/11

1

Main results of the Council

The Council authorised the launch of an enhanced cooperation among member states for the creation of a **unitary patent** title.

Following a recent Commission communication on **raw materials and commodity markets**, the Council adopted conclusions on this subject.

The Council held a debate on the priority measures of the "Single Market Act" that can best contribute to create growth and jobs. It also adopted conclusions on the mutual evaluation process of the Services Directive.

In the field of research, the Council adopted conclusions on the interim evaluation of the EU's Seventh framework programme for research activities (2007-2013), including its risk-sharing finance facility. It also adopted conclusions on the preparations for the launch of a pilot European Innovation Partnership on "Active and healthy ageing".

Finally, ministers held debates on the "Annual Growth Survey - European semester" in preparation for the spring European Council on 24 and 25 March.

Without discussion, the Council adopted decisions for concluding scientific cooperation agreements with Japan, Jordan, Ukraine and the Faroe Islands.

7475/11

CONTENTS¹

PARTICIPANTS	5
ITEMS DEBATED	
Preparation for the March European Council: the Annual Growth Survey	8
Evaluation of the Seventh framework programme for research (FP7) - Council conclusions	11
European Innovation Partnership on "Active and healthy ageing" - Council conclusions	11
Single Market Act	12
Services Directive: implementation and mutual evaluation process - Council conclusions	13
Future unitary patent system: enhanced cooperation	14
Raw materials and commodity markets - Council conclusions	15

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.

OTHER BUSINESS	16
Conference on "The knowledge-based bio-economy towards 2020"	16
Euratom framework programme for nuclear research (2012-2013)	16
Common Strategic Framework for research and innovation	17
Internal Market Information System	17
SOLVIT annual report	18
Opinion of the Court of Justice on a draft Treaty for the creation of a single court for patent-related disputes	18
Fifth Consumer Scoreboard	18
Public consultation on collective redress	19
Public consultation on alternative dispute resolution	19
Mid-term review of the Small Business Act	19
Electronic invoicing in Europe	20
Chemical industry	20
Joint declaration on electric mobility in Europe	20
Situation of the tourism in North Africa	20
OTHER ITEMS APPROVED	
RESEARCH	
Scientific cooperation agreements: Japan - Jordan - Ukraine - Faroe Islands	21
TRADE POLICY	
Anti-dumning - Filament glass fibre products - China	21

PARTICIPANTS

Belgium:

Mr Benoît CEREXHE Minister of the Brussels Capital Regional Government,

with responsibility for Employment, Economic Affairs. Scientific Research, Fire Prevention and Emergency

Medical Aid

Mr Vincent VAN QUICKENBORNE Federal Minister for Enterprise and Simplification Mr Jean-Claude MARCOURT

Vice-Minister-President, Minister for the Economy and

Foreign Affairs

Bulgaria:

Mr Peter STEFANOV Deputy Permanent Representative

Czech Republic:

Mr Martin TLAPA Deputy Minister for Industry and Trade Mme Lucie SESTAKOVA

Deputy Permanent Representative

Denmark:

Mr Brian MIKKELSEN Ministry of Economic and Business Affairs

Mr Uffe TOUDAL PEDERSEN Permanent Secretary, Ministry of Science, Technology

and Innovation

Germany: Mr Georg SCHÜTTE

State Secretary to the Federal Minister for Education and

Research

Mr Peter HINTZE Parliamentary State Secretary, Federal Ministry of

Economics and Technology

Mr Max STADTLER Parliamentary State Secretary to the Federal Minister for

Justice

Estonia: Mr Janar HOLM Secretary General of Education

Mme Merike SAKS Deputy first secretary of Ministry of Economic Affairs and

Communications

Ireland: Ms Geraldine BYRNE NASON Deputy Permanent Representative

Ms Anna DIAMANTOPOULOU Minister for Education Mr Ilias PLASKOVITIS Secretary General for European affairs, Ministry of

Foreign Affairs

Mr Alexandros FOURLAS Secretary General for Industry, Ministry of Finance,

Competitiveness and Shipping

Mr Andreas PAPASTAVROU Deputy Permanent Representative

Italy:

Mr Diego LÓPEZ GARRIDO Secretary of State for the European Union, Ministry of

Foreign Affairs and Cooperation

Secretary General for Innovation, Spanish Ministry of Mr Juan Tomás HERNANI

Science and Innovation

France: Mr Eric BESSON Minister for Industry, Energy and Economy

Mr Laurent WAUQUIEZ Minister for European Affairs

Mr Philippe LEGLISE-COSTA Deputy Permanent Representative

Mr Giuseppe PIZZA State Secretary for Education, Universities and Research

Mr Stefano SAGLIA State Secretary for Economic Development

7475/11 EN Cyprus:

 Mr George ZODIATES
 Deputy Permanent Representative

 Mr Constantinos IACOVOU
 Director of Planning, The Planning Bureau

<u> Latvia:</u>

Mr Roland BROKSMinister for Science and EducationMr Juris PŪCEState Secretary, Ministry of Economics

Lithuania:

Ms Nerija PUTINAITE Deputy Minister, Ministry of Education and Science

Luxembourg:

Mr Jeannot KRECKÉ
Minister for Economic Affairs and Foreign Trade
Ms Michèle EISENBARTH
Deputy Permanent Representative

Hungary:

Mr Zoltán CSÉFALVAY

Junior Minister for Strategic Affairs, Ministry of National

Economy

Mr Zsolt BECSEY State Secretary for the Economy

Malta:

Mr Jason AZZOPARDI Parliamentary Secretary
Mr Patrick MIFSUD Deputy Permanent Representative

Netherlands:

Mr Jorn VAN DER MEER Policy Officer European Integration, Ministry of Foreign

Affairs

Mr Derk OLDENBURG Deputy Permanent Representative

Austria:

Mr Reinhold MITTERLEHNER

Federal Minister for Economy, Family and Youth

Mr Harald GÜNTHER Deputy Permanent Representative

Poland:

Ms Barbara KUDRYCKAMinister for Science and Higher EducationMs Grazyna HENCLEWSKAUndersecretary of State, Ministry of EconomyMr Marcin KOROLECDeputy Minister for Economy

Portugal:

Mr José Mariano GAGO
Minister for Science, Technology and Higher Education
Mr Fernando SERRASQUEIRO
State Secretary for Trade, Services and Consumer

Protection

Romania:President of National Agency for Scientific ResearchMr Dragos Mihael CIUPARUPresident of National Agency for Scientific ResearchMr Constantin Claudiu STAFIESecretary of State, Ministry of Economy, Trade and

Business Environment

Slovenia:

Mr Viljem PŠENIČNYState Secretary, Ministry of EconomyMr Uroš VAJGLDeputy Permanent Representative

Slovakia:

Mr Peter JAVORČÍK Deputy Permanent Representative

Finland:

Ms Katariina POSKIPARTA State Secretary, Ministry of Employment and the

Economy

Mr Jari HEINILUOMA State Secretary, Ministry of Economic Affairs

Sweden:

Mr Jan BJÖRKLUNDDeputy Prime Minister, Minister for EducationMs Maud OLOFSSONMinister for Enterprise and EnergyMs Ewa BJÖRLINGMinister for Trade and Foreign Affairs

United Kingdom: Baroness WILCOX

Innovation and Skills Mr Andy LEBRECHT

Deputy Permanent Representative

Parliamentary Under-Secretary of State for Business,

<u>Commission:</u> Ms Viviane REDING Mr Antonio TAJANI Ms Máire GEOGHEGAN-QUINN Mr Michel BARNIER Mr John DALLI

Vice President Vice President Member Member Member

7475/11

ITEMS DEBATED

Preparation for the March European Council: the Annual Growth Survey

In separate sessions, Industry and Research ministers held debates on the Annual Growth Survey - European semester, in preparation for the spring European Council on 24 and 25 March.

In the field of research and innovation, discussions concentrated on two main areas:

- structural reforms in the areas of education, research, innovation and entrepreneurship that can boost private investment into research and innovation; and
- the main challenges on the way towards reaching the EU 2020 headline targets for research and innovation.

On the basis of the discussion the Presidency highlighted a number of significant elements, including:

- the need to carry out smart fiscal consolidation by reducing deficits quickly and prioritising public expenditure in areas such as education and research to strengthen growth potential;
- the need to focus public spending on research and development and to increase its
 efficiency and effectiveness by enhancing the performance of research and innovation
 systems;
- the importance of the implementation of reforms without or with little budgetary cost, notably to improve framework conditions and the business environment and to strengthen competition. These reforms are necessary and urgent if the EU is to match the high level of ambition of international competitors;
- to consider medium and longer-term views when implementing public innovation policies and base them on a clear vision with specific actions and commitments. Regularly monitor progress at high political level;

- education systems and public research should be geared towards excellence. This requires
 a combination of incentives, such as a adequate performance-based funding, greater
 autonomy of universities and research institutions and greater specialisation;
- to combine an efficient, service-oriented and reliable public administration with smart regulation and a dynamic market;
- to put in place adequate conditions in order to attract top scientists and researchers, people with vocational skills and would-be entrepreneurs.

The full debate can be watched at: http://video.consilium.europa.eu/index.php?pl=2&sessionno=3321&lang=EN

In the field of industry and the internal market, discussions concentrated on the following main areas:

- linkages between industrial competitiveness and the five headline goals of the Europe 2020 strategy;
- the assessment of the Annual Growth Survey and most urgent measures to be taken in the field of industrial competitiveness; and
- the EU initiatives that can best contribute to the implementation of the Europe 2020 strategy and monitoring of progress.

The main message from delegations was that an orderly fiscal consolidation and maintaining macro-economic stability are prerequisites for economic growth, but that the overall objectives of the Europe 2020 strategy cannot be achieved without a globally competitive European industry.

That being so, a well-balanced macro- and micro-economic part of the Annual Growth Survey, as well as active monitoring by the Competitiveness Council, were regarded as essential.

The full debate can be watched at: http://video.consilium.europa.eu/index.php?pl=2&sessionno=3326&lang=EN

7475/11

On 12 January the Commission adopted a communication on the "Annual Growth Survey: advancing the EU's comprehensive response to the crisis", which provides the basis for the European Semester under the Europe 2020 strategy for growth and jobs.

The European Semester forms part of a new governance architecture approved by the member states on 7 September 2010. It is a six-month period every year during which the member states' budgetary and structural policies will be reviewed to detect any inconsistencies and emerging imbalances. The aim is to reinforce coordination while major budgetary decisions are still under preparation.

The European Semester starts with the Annual Growth Survey, an analysis of progress on the Europe 2020 targets.

7475/11 10

EN

http://ec.europa.eu/europe2020/tools/monitoring/annual_growth_survey_2011/index_en.htm

Evaluation of the Seventh framework programme for research (FP7) - Council conclusions

The Council adopted the conclusions on the interim evaluation of the EU's seventh framework programme (FP7) for research activities (2007-2013), including the risk-sharing finance facility set out in <u>7585/11</u>.

European Innovation Partnership on "Active and healthy ageing" - Council conclusions

The Council adopted conclusions on the preparations for the launch of a pilot European Innovation Partnership on "Active and healthy ageing".

European Innovation Partnerships (EIPs), as part of the Innovation Union flagship initiative under the Europe 2020 strategy, lay down on a new approach to European research and innovation intended to tackle common societal challenges. EIPs should bring together all relevant actors at EU, national and regional levels, across policy areas and industrial sectors, in order to:

- (i) step up research and development efforts;
- (ii) coordinate investments in demonstrations and pilot cases;
- (iii) anticipate any necessary regulation and standards; and
- (iv) mobilise demand, in particular through better coordinated public procurement to ensure that innovative products are quickly placed on the market.

Active and healthy ageing was identified as a major societal challenge for the future.

The overarching goal of the partnership is to increase the average life expectancy of Europeans by 2020, while ensuring that people can also live healthier and more active lives.

The launch of an EIP on active and healthy ageing as a pilot case will enable the performance of this new concept to be tested for possible future EIPs.

The conclusions can be found in <u>7586/11</u>.

Single Market Act

The Council held a debate on the Single Market Act (SMA), a two-year plan (2011-2012) of 50 initiatives aimed at ensuring continuous optimisation of the internal market and contributing to the successful implementation of the Europe 2020 objectives on stimulating employment and economic growth (13977/1/10).

The debate was preceded by a Commission presentation on the main findings of a public consultation conducted by the Commission which was completed end February 2011.

In particular, delegations expressed views on the criteria to be used for choosing the area for a priority commitment by the institutions and the Member States and how to define the priority actions for achieving the goals of the Europe 2020 strategy in the most effective way.

In the light of today's debate, the upcoming opinion of the European Parliament and the findings of the public consultation, the Commission is expected shortly to present a selection of initiatives that will better contribute to overcoming the economic crisis and to promoting growth and employment.

On 10 December 2010, the Council adopted conclusions on the SMA¹ committing its member states to define the priority measures that should be in place before the end of 2012 in order to facilitate access to the single market, support businesses, encourage growth and help to create jobs.

The conclusions also endorsed the general approach of the SMA, submitted by the Commission in October 2010, according to which the single market must rest upon a strong economic and social basis with a view to building a highly competitive economy.

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/intm/118409.pdf

Services Directive: implementation and mutual evaluation process - Council conclusions

The Council adopted conclusions on the mutual evaluation process of the Services Directive. The conclusions can be found <u>HERE</u>.

The Services Directive, adopted in December 2006, aims at eliminating obstacles to trade in services in the internal market¹. The Directive provides for a "mutual evaluation process", a mechanism for systematic reviewing based on the results of the screening of national legislation (i.e. the identification, assessment and, when required, modification of requirements affecting service providers) carried out by member states.

Following the publication by the Commission of an assessment of the ongoing process (<u>5559/11</u>), the Council conclusions address the key findings of the results of the mutual evaluation process and consider the way forward, bearing in mind that the services falling under the scope of the Services Directive account for around 40% of the EU employment and gross domestic product.

7475/11

EN

http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:376:0036:0068:EN:PDF

Future unitary patent system: enhanced cooperation

The Council authorised the launch of enhanced cooperation among EU member states for the creation of a unitary patent title (5538/11 and 6524/11 and 6524/11 ADD1).

The use of enhanced cooperation has been requested by 25 out of 27 EU member states with the aim of establishing a single patent that will be valid across the territory of the participating member states. The European Parliament gave its consent for using this procedure on 15 February.

All EU member states except Italy and Spain are in favour of the use of enhanced cooperation. The main obstacle to unanimity on the creation of an EU patent is the number of languages in which the future unitary patent will be valid, hence the recourse to the enhanced cooperation.

The language regime for the future unitary patent system would be based on the language regime of the European Patent Office (EPO), where the official languages are English, French and German.

The existing European patent requires validation of the granted patent separately in each and every EPO member state, as well as a full translation of the patent in the official language(s) of that member state. The future unitary patent would be automatically valid throughout the territory of the EU member states participating in the enhanced cooperation in the (EPO) language in which it has been granted.

Enhanced cooperation would remain open to non-participating countries, and access to the unitary patent on the territory of participating member states would also be available to businesses from non-participating member states.

For more information see:

Background

Raw materials and commodity markets - Council conclusions

The Council examined a recent Commission communication on raw materials and commodity markets and adopted conclusions on the subject.

The communication (<u>5992/11</u>) addresses present and future challenges concerning the supply of raw materials to the EU. The strategy for addressing these challenges is based on three pillars:

- developing a new EU raw materials diplomacy with a view to securing fair and sustainable access to raw materials on international markets;
- fostering technologies for greater investment in Europe's own natural assets; and
- promoting resource efficiency and recycling in order to reduce demand for primary raw materials.

The Council endorsed this approach by means of the conclusions that can be found in document 7029/11.

OTHER BUSINESS

Conference on "The knowledge-based bio-economy towards 2020"

The Council took note of the outcome of a conference on bio-economy held in September 2010 (7101/11 and 7238/11).

Bio-economy connects to a wide range of interfacing European policies.

Under the 7th Research framework programme, nearly EUR 2 billion are dedicated to food, agriculture, fisheries and biotechnology research.

The Commission announced the opening of a public consultation on this subject that will run until 2 May 2011.

Euratom framework programme for nuclear research (2012-2013)

The Council took note of a presentation by the Commission on the proposals for extending, for a two-year period, the current European Atomic Energy Community (Euratom) framework programme, which expires at the end of 2011.

The new proposals will extend the Euratom programme in order to align it with the end of the EU's current financial cycle in 2013. Euratom programmes are limited by the Euratom treaty to five years, whereas the 7th framework programme lasts for seven years.

The Council preparatory bodies will undertake to examine the proposals without delay.

Common Strategic Framework for research and innovation

The Council heard a presentation on the Commission Green paper: "Towards a common strategic framework for EU research and innovation funding", which launches the public debate on the key issues to be taken into account for future EU research and innovation funding programmes (6528/11).

The Commission adopted the Green paper on 9 February 2011. The Green Paper sets out possible ways of enhancing the coherence and effectiveness of EU research and innovation funding, in order to maximise its contribution to post-crisis recovery, address major societal challenges, increase the competitiveness of EU industries, especially in emerging sectors, and make Europe a global powerhouse of cutting-edge research.

Research ministers had an opportunity to exchange views on this subject over the informal working lunch

Internal Market Information System

The Council took note of a presentation by the Commission of its communication on the Internal Market Information (IMI) system published on 21 February 2011 (6859/11).

One of the 50 proposals contained in the Single Market Act adopted in October 2010 relates to the achievement of a 'face-to-face' electronic network for European administrations, by extending the IMI system.

IMI is an electronic application that allows national, regional and local European authorities to communicate quickly and easily with their counterparts across borders. IMI currently has more than 5700 registered competent authorities and 11000 registered users.

SOLVIT annual report

The Council took note of a presentation by the Commission outlining the salient points of the 2010 Solvit report published on 21 February (6879/11).

The report gives a picture of the performance, development and main areas of focus of Solvit based on case-handling data collected from Solvit centres.

Solvit is a network created in 2002 by the Commission and the EU member states plus Iceland, Liechtenstein and Norway. Solvit aims to provide rapid and pragmatic solutions to cross-border problems caused by misapplication of EU rules by public authorities. In 2010 Solvit handled 1 363 cases, thereby aiding the better functioning of the single market on the ground.

Opinion of the Court of Justice on a draft Treaty for the creation of a single court for patentrelated disputes

The Council was informed by the Presidency that the Court of Justice of the EU had issued its Opinion 1/09 on a draft Treaty for the creation of a unified court for disputes related to European and EU patents¹.

This Opinion, delivered on 8 March 2011, follows a Council request to the EU Court of Justice on the compatibility of the envisaged system with EU law made on 25 June 2009.

Fifth Consumer Scoreboard

The Council took note of information by the Commission summarising the outcome of the Fifth Consumer Scoreboard (7183/11 and 7184/11).

The Consumer Scoreboard is published every year in two parts, the first in Spring and the second in Autumn.

http://curia.europa.eu/jcms/upload/docs/application/pdf/2011-03/cp110017en.pdf

Public consultation on collective redress

The Council took note of the launch by the Commission, last February, of a public consultation on collective redress (7185/11). The aim is to consult member states and stakeholders in order to identify which forms of collective redress could fit into the EU legal system and into the legal order of the 27 EU member states.

The consultation runs until the end of April 2011 and will be followed by a communication on the results

Public consultation on alternative dispute resolution

The Council took note of the launch by the Commission, on 18 January, of a public consultation on alternative dispute resolution (ADR) (7028/11). The aim is to consult member states and stakeholders, inter alia in order to research consumer and business awareness of ADR, possible involvement of the industry in ADR mechanisms and the scope and the funding of such mechanisms.

The consultation runs until 15 March 2011 and will be followed by a hearing on 16 March 2011.

Mid-term review of the Small Business Act

The Council took note of a presentation by the Commission (7489/11) of its communication on the mid-term review of the Small Business Act (SBA), issued on 23 February 2011 (7017/11).

The communication has a focus on SME access to financing and on other Europe 2020 priorities. The nomination of a "credit ombudsman" is suggested to facilitate dialogue between SMEs and credit institutions, as well as a one-stop shop where SMEs could apply for EU, national and local grants.

By 2012, venture capital funds in any member state should be able to invest freely in the EU via a new legislative regime. The Commission also proposes simplifying procedures for SMEs and introducing the 'think small first' principle in EU structural fund criteria.

Industry ministers had an opportunity to exchange views on this subject over the informal working lunch.

Electronic invoicing in Europe

The Council took note of the presentation of the Commission communication on electronic invoicing (e-invoicing), issued on 8 December 2010 (17565/10).

E-invoicing is part of the flagship initiative "A digital agenda for Europe", which gives prominence to achieving a single digital market and calls for removal of the regulatory and technical barriers that hinder increasing use of e-invoicing. Existing rules governing e-invoicing in Europe are still fragmented along national lines and most of the potential of e-invoicing is still untapped. Exchanging e-invoices is still too complex and costly, in particular for small and medium enterprises (SMEs). The massive use of e-invoicing within the EU would lead to significant economic benefits. It is estimated that moving from paper to e-invoices would generate savings of around EUR 240 billion over a six-year period.

Chemical industry

The Council took note of information by the Commission on the situation of the chemical industry in Europe (6329/11).

In 2007, the Commission set up a high-level group that issued 39 recommendations to support the competitiveness of the European chemicals industries

In its Europe 2020 flagship initiative "An integrated industrial policy for the globalisation era", the Commission underlined the potential contribution of the chemicals industry to providing solutions to critical societal challenges.

Joint declaration on electric mobility in Europe

The Council took note of an information by the Maltese delegation on its intention to joint the 'Joint declaration on electric mobility' presented by 9 member states in November 2010 (7251/11).

Situation of the tourism in North Africa

The Council took note of information provided by the Presidency and the Commission on the current situation of the tourism industry following ongoing developments in the North African region, and the need for action. The Council will come back on this issue in the future as required.

OTHER ITEMS APPROVED

RESEARCH

Scientific cooperation agreements: Japan - Jordan - Ukraine - Faroe Islands

The Council approved the conclusion of scientific and technological cooperation agreement with Japan (11363/10). The EU and Japan have similar research priorities, such as life sciences, information and communication, manufacturing technologies, the environment, including climate change, and renewable energies. The EU and Japan have already concluded a cooperation agreement in nuclear research and are both members of ITER, the International Thermonuclear Experimental Reactor Organisation.

The Council also approved the conclusion of an agreement with Jordan (<u>11362/10</u>), as well as the renewal of the scientific and technological cooperation agreement with Ukraine for a further five years (<u>11364/10</u>).

Moreover, the Council approved the conclusion of an agreement in order to associate the Faroe Islands with the EU's Seventh framework programme for research (2007-2013) (11365/10).

TRADE POLICY

Anti-dumping - Filament glass fibre products - China

The Council adopted a regulation imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain continuous filament glass fibre products originating in China (6661/11).