



**COUNCIL OF  
THE EUROPEAN UNION**



6983/10 (Presse 48)

**PROVISIONAL VERSION**

## **PRESS RELEASE**

2999th Council meeting

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

Brussels, 1-2 March 2010

President

**Mr Miguel Sebastián**

Minister of Industry, Tourism and Commerce

**Mrs Cristina Garmendia**

Minister for Science and Innovation

**Mr Diego López Garrido**

State Secretary for the EU  
of Spain

# **P R E S S**

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6983/10 (Presse 48)

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**EN**

## **Main results of the Council**

*The Council adopted conclusions on industrial policy, following a debate on key objectives for establishing the principles to a **new industrial policy** with a continuing focus on sustainable growth and employment.*

*In preparation to the next Spring European Council, ministers for competitiveness held an exchange of views on the future **strategy for the creation of growth and jobs**.*

*The Council adopted a resolution aimed at enhancing the enforcement of **intellectual property rights** in the internal market.*

*The Council adopted conclusions on the **mobility and careers of researchers**. It also adopted conclusions on ways for improving the structure of the **European Research Council**.*

*Without discussion, the Council adopted a decision introducing restrictive measures against **Eritrea**. It also adopted its position at first reading on a draft regulation on **trade in timber**.*

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The Governments of the Member States and the European Commission were represented as follows:

### **Belgium:**

Mr Vincent VAN QUICKENBORNE  
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Scientific Research, Fire Prevention and Emergency  
Medical Aid

Mr Jean-Claude MARCOURT

Ministre wallon de l'Economie, des PME, des  
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l'Enseignement supérieur

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Deputy Minister for Economy, Energy and Tourism

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Mr Alexandros FOURLAS

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Secretary General

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Minister for Science and Innovation  
Secretary of State for the European Union in the Spanish  
Ministry of Foreign Affairs and Cooperation  
Secretary of State for Investigation at the Ministry of  
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Mr Felipe PETRIZ

### **France:**

Mr Philippe LEGLISE-COSTA

Deputy Permanent Representative

### **Italy:**

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Mr Vincenzo GRASSI

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Ms Tatjana KOŖE

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**Lithuania:**

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Mr Raimundas KAROBLIS

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Deputy Permanent Representative

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Mr François BILTGEN

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Minister for Labour and Employment, Minister for  
Culture, Higher Education and Research, Minister for  
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**Hungary:**

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**Malta:**

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State Secretary  
Deputy Permanent Representative

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State Secretary for Economic Affairs

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Deputy Prime Minister and Minister for Enterprise and  
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Mr Tobias KRANTZ  
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Minister for Higher Education and Research  
State Secretary to the Minister for Trade

**United Kingdom:**

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Parliamentary Under Secretary of State for Business and  
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Mr Andy LEBRECHT

Deputy Permanent Representative

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**Commission:**

Mr Antonio TAJANI

Mr Michel BARNIER

Ms Máire GEOGHEGAN-QUINN

Vice-President

Member

Member

**ITEMS DEBATED**

**NEW INDUSTRIAL POLICY - Council conclusions**

The Council held an exchange of views on key objectives for establishing the principles to a new ambitious industrial policy with a continuing focus on sustainable growth and employment. At the end of the debate the Council adopted the following conclusions:

"THE COUNCIL OF THE EUROPEAN UNION,

1. RECALLING the European Competitiveness Report 2009 of 7 December 2009<sup>1</sup>, which stated that 2008 and 2009 have been marked by the emergence of a serious recession, with decreasing rates of economic activity and a large contraction in employment, and pointed to the risk that it might take two to four years for GDP per capita to regain its former peak level and roughly double that time for employment to recover;
2. RECALLING that the Heads of State and Government of the European Union agreed that Europe should be transformed into a competitive, knowledge-based, inclusive, innovative and eco-efficient economy<sup>2</sup>;
3. RECALLING the Council Conclusions of 7 December 2009 on the transition towards a competitive, innovative and eco-efficient Europe<sup>3</sup>;

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<sup>1</sup> Doc. [17185/09](#) of 7 December 2009.

<sup>2</sup> Brussels European Council, 18-19 June 2009, Presidency Conclusions (doc. [11225/09](#) of 19 June 2009), Paragraph 27.

<sup>3</sup> Council Conclusions: Towards a competitive, innovative and eco-efficient Europe — a contribution by the Competitiveness Council to the post-2010 Lisbon agenda (doc. [17179/09](#) of 7 December 2009).

4. RECALLING the Council Conclusions on "An integrated approach to a competitive and sustainable industrial policy in the European Union"<sup>1</sup>, acknowledging the serious economic situation in various sectors affected by the current crisis, including the automotive sector, and recognizing that the situation still remains challenging;
5. RECOGNIZES that institutional changes within the EU, the entry into force of the Lisbon Treaty and recent international developments are new elements that are to be considered in defining a new industrial policy, which should maintain continuity with relevant elements of the current industrial strategy;
6. EMPHASIZES that a successful transition to a competitive and eco-efficient economy and the implementation of a sustainable industrial policy should improve competitiveness and turn environmental challenges into business opportunities and high-quality jobs, and that, in this context, emphasis ought to be given to resource and energy efficiency, in particular by the development, deployment and support for a wide take-up of safe and sustainable low greenhouse-gas-emitting technologies, especially renewable energy and energy efficiency<sup>2</sup>;
7. STRESSES that a coordinated and timely exit strategy from the economic crisis is necessary; this strategy should focus on measures contributing to long-term structural reinforcement of the economy; Implementing the withdrawal of temporary crisis-related measures may depend on the pace of economic recovery and take full account of the impact on employment; RECALLS that the Temporary Community framework for State Aid measures, which the Commission adopted in December 2008, is a short-term response to the present economic difficulties that will be phased out;
8. REAFFIRMS the importance of an ambitious industrial policy, with a continuing focus on sustainable growth and jobs, not least against the backdrop of the present economic downturn, as the current strategy has created an awareness in the EU that modernisation, industrial transformation and restructuring, innovation, technological excellence and cooperation are necessary to increase competitiveness and achieve a strong, sustainable and balanced growth in a globalising world;

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<sup>1</sup> Council Conclusions: An integrated approach to a competitive and sustainable industrial policy in the European Union (doc. *10499/09* of 2 June 2009).

<sup>2</sup> EU position for the Copenhagen Climate Conference (7-18 December 2009) - Council conclusions (doc. [14790/09](#) of 21 October 2009), Paragraph 56.

9. HIGHLIGHTS the industrial policy priorities that should contribute to:
- responding to the opportunities and challenges of globalisation by combining all possible instruments and measures of EU industrial policy (including for example those of the internal market, competition, skills and regional policy, trade and investment, standards and regulatory convergence)
  - a well-defined competitiveness agenda with regard to the free movement of persons, goods, services and capital having due regard to the free movement of knowledge is essential for a coherent delivery of the micro-economic elements of the future strategy for growth and jobs
  - creating the best framework conditions and adopting a new competitive and sustainable industrial policy, building on the current integrated approach, in order to improve competitiveness, stimulate growth and jobs, inter alia, by exploiting the potential of the EU cohesion policy and other relevant policies in that respect,
  - reaffirming the crucial role of small and medium-sized enterprises (SMEs), including micro-enterprises, at the heart of the European economy and the need to ensure adequate access to finance and timely and effectively implement the Small Business Act, having regard to the subsidiarity principle and Member States' different starting positions
  - recognizing the strategic importance of information and communication technologies by establishing an ambitious European digital agenda with concrete targets
  - transforming Europe into an eco-efficient economy, while bearing in mind both the benefits and the costs of this transition
  - strengthening and developing the internal market in order to achieve its full potential
  - further developing the external dimension of the internal market with the aim of enhanced trade and investment, based on an explicit agenda subject to evaluation and follow-up

- continuing to develop and implement better regulation principles and to reduce existing and avoid adding further unnecessary administrative burdens
  - intensifying and better co-ordinating EU efforts in the areas of research and innovation, including education, skills and the free movement of knowledge; with due regard to the operation of the Knowledge and Innovation Communities (KIC's) of the European Institute of Innovation and Technology (EIT);
10. WELCOMES the commitment by the Commission to a "fresh approach to industrial policy, supporting industry, putting the emphasis on sustainability, innovation and the human skills needed to keep the EU industry competitive in world markets";
11. RECALLS that the Lisbon Treaty encourages the co-ordination of industrial policies, enabling the Commission to take in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation";
12. TAKES NOTE OF the outcome of the conference on climate change in Copenhagen and RECOGNIZES the need for a timely implementation of the Energy and Climate Package in order to combat climate change in a cost-effective way, also with a view to increasing the competitiveness of EU industry;
13. STRESSES the role of an integrated, competitive, strong, modern, eco-efficient and diverse industrial base for the European economy that requires stable and predictable framework conditions promoting excellence, innovation, entrepreneurship and sustainability, and the continuing need to strengthen European competitiveness in order to allow Europe to emerge from the present economic downturn and to facilitate the transition to an eco-efficient economy; ACKNOWLEDGES the crucial importance of the industrial and services sectors for growth and employment;

14. STRESSES the need to promote the development of industry and business services by improving legislative and non-legislative framework conditions, removing remaining barriers to the Internal Market, and paving the way to a successful transition to an eco-efficient economy, ensuring that compliance with new requirements in all policy areas does not cause excessive costs to businesses nor overstretch their adjustment capacities. RECOGNIZES the structural changes that industry will have to face in the transition to a safe and sustainable low-carbon, resource-efficient economy, especially in energy- and emission-intensive industries, while bearing in mind the risk of carbon-leakage that is analysed and addressed in the ETS Directive (Directive 2009/29/EC) so that, to preserve the environmental integrity of the EU's policies, in the light of the outcome of the international negotiations and the extent to which these lead to global greenhouse gas reductions, it is possible to consider appropriate measures to be taken in compliance with international trade rules. An ambitious international agreement remains the best way of addressing this issue <sup>1</sup>;
15. STRESSES the importance of restructuring where needed, while ensuring that industry carries this out in a socially responsible way. Industry itself is primarily responsible for restructuring, but the challenge of restructuring can be turned into an opportunity if it is managed correctly and carried out in close cooperation with social partners;
16. ENCOURAGES the Commission and the competent authorities in Member States to work together in order to ensure that the current economic crisis does not lead to a loss of human capital and skills by taking appropriate initiatives to develop and update skills, skills being key elements to the future competitiveness and growth of industry; action is also needed to ensure better matching of skills to jobs across the EU;
17. STRESSES the need to ensure better and undistorted access to raw materials and to promote the world-wide sustainable management of raw materials. To this end, existing barriers to access should be removed, access to EU raw materials deposits should be facilitated and the EU's dependence on primary raw materials should be reduced by promoting resource efficiency, recycling and substitution. Increased and more efficient use of renewable and secondary raw materials, including the EU's own renewable raw materials, is essential; INVITES the Commission, Member States and industry to take further actions with regard to these challenges in line with the raw materials initiative;

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<sup>1</sup> Presidency Conclusions, European Council, 29-30 October 2009 (doc. [15265/1/09 REV 1](#) of 1 December 2009), Paragraph 21.

18. EMPHASIZES the importance of key enabling technologies for competitiveness and the need to strengthen the industrial and innovation capacity, including by setting up joint programming of key demonstration projects, increasing technology transfer, in particular for SMEs, and improving cooperation across the EU as well as with strategic international partners. Also acknowledges the importance of improving standardisation and strengthening intellectual property regimes, ensuring the availability of appropriate research, higher education and training, as well as improving the framework conditions for the deployment of these technologies, thus helping to address major societal and economic challenges;
19. STRESSES the need for more and more efficient R&D investment in and the commercialization and adoption of low-carbon and clean technologies which are safe and sustainable, as well as the need to keep implementing and strengthening a sustainable energy- and resource-efficient product policy through eco-design and taking into account the principles of smart regulation, including a life-cycle approach; NOTES the achievements and results of the Environmental Technologies Action Plan (ETAP) 2004 <sup>1</sup> and looks forward to the elaboration of a new ETAP that is closely integrated with the new industrial policy;
20. LOOKS FORWARD TO the Commission's proposal for a business-oriented European Research and Innovation Plan that should complement national innovation strategies and have sufficient scope to address major societal and economic challenges, such as climate change, sustainability issues, health and the challenges related to the ageing of the population, as well as enhancing EU competitiveness in the new industries and technologies of the future, including rapid commercialisation of R&D results. In this respect, tools and initiatives with a strong potential, such as lead markets, clusters and pre-commercial public procurement following assessment, better access to finance in particular for SMEs by a great mobilisation of venture capital instruments, standardisation, state aid guidelines for innovation, intellectual property rights and fostering technology transfer should be promoted;
21. STRESSES that Europe should remain open to its trading partners and should continue to press for open access to third markets, including through multilateral and bilateral agreements, the promotion of regulatory cooperation and convergence, and the worldwide introduction of international standards, which should lead to reciprocal benefits;

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<sup>1</sup> Communication from the Commission to the Council and the European Parliament: Stimulating Technologies for Sustainable Development: An Environmental Technologies Action Plan for the European Union (doc. [5864/04](#) of 2 February 2004).

22. CALLS ON the Commission to pursue an integrated approach to industrial policy based on horizontal and sectoral initiatives to take account of differing circumstances in the various sectors of industry and that ensures a closer co-ordination of Member States' industrial and technology policies. Also calls on the Commission and Member States to work towards implementation of the Small Business Act and the SBA Action Plan as a key element for competitiveness, growth and jobs;
23. INVITES the Commission to come forward with an action plan for clean and energy-efficient vehicles (including the growing role of fully electric cars and plug in hybrids) that will
- a) encourage the development of the necessary infrastructure in Europe for new mobility technologies, in particular for battery recharging
  - b) stress the importance of RTD and innovation for further improving the technological performance and attractiveness of clean and energy-efficient vehicles to the consumer, such as battery improvement
  - c) pay particular attention to ensuring a comprehensive single market and develop normalisation and standardisation in the field of clean and energy-efficient vehicles, in particular in the area of vehicles safety, and to promote relevant actions in response to interfaces between vehicles and network's infrastructures
  - d) promote measures to encourage the global competitiveness of the European clean and energy-efficient vehicle industry;

WELCOMES the efforts already undertaken by Member States with regard to the issues mentioned above and ENCOURAGES the work on improving grids, especially smart grids, and the use of safe and sustainable sources of energy, including renewables, for the implementation of agreed energy policy objectives;

24. INVITES the Commission to present a communication on industrial policy before the end of 2010 setting out a comprehensive new agenda for industrial policy, following consultation of interested parties;
25. EMPHASIZES the necessary involvement of the Competitiveness Council in the new European strategy for growth and jobs in the policy areas under its competence."

**INTELLECTUAL PROPERTY RIGHTS IN THE INTERNAL MARKET - Resolution**

The Council adopted the following resolution aimed at enhancing the enforcement of intellectual property rights in the internal market: [6363/10](#).

**NEW EUROPEAN STRATEGY FOR JOBS AND GROWTH**

The Council held exchanges of views on a new EU strategy for the creation of growth and jobs, following presentations by the Commission on the main elements of its communication on the EU 2020 strategy, which is to be published on 3 March.

The outcome of the debates, together with the Commission communication and the preparatory work to be provided by relevant Council formations, will allow the Spring European Council (25 and 26 March) to concentrate on the general framework of the strategy.

Both ministerial configurations, industry/internal market ministers on 1 March and research ministers on 2 March, examined key aspects to start designing the architecture of the future strategy from their respective fields of responsibility.

On the basis of questionnaires submitted by the Presidency ([6070/1/10 REV](#) and [6389/10](#)), the discussions focused on the best possible actions to be taken at European level in order to foster competitiveness, thus contributing to the new strategy for growth and jobs.

Delegations highlighted the need for setting up ambitious, realistic and clear objectives involving political commitment for member states.

The debates showed a high degree of convergence on several dimensions to be taken into account in view of the launching of the future strategy, including:

- the importance of deepening the single market, to give it a new political impetus and to keep it attractive for third countries by avoiding protectionism;
- the necessity to reinforce a European industry capable of taking advance of the new challenges towards a sustainable and green economy;
- the convenience to set objectives close to the European citizen concerns, considering their social dimension and favouring geographical cohesion;
- the opportunity to place research and innovation at the heart of the different EU policies in the new agenda;

- the focus of research in the major upcoming societal challenges, such as climate change, energy, food security, health and demography; and
- the development of the European Research Area.

Ministers also made interventions on the concrete use of appropriate tools to better achieve these targets. It was mentioned:

- the investment in innovative technologies;
- the reinforcement of physical infrastructure of transport and energy networks;
- the development of key elements to benefit from the full potential of the internal market: the digital agenda, the protection of industrial and intellectual property rights, the facilitation of electronic transactions, the implementations of the services directive, etc.;
- the improvement of the regulatory framework for enterprises, in particular for SMEs, and the improvement of their conditions on access to financing and to innovation;
- the simplification of the available instruments for scientific research and their efficient use;
- the promotion of the human capital (education and training, better conditions for researchers, etc.); and
- the strengthening of the three sides of the "knowledge triangle": education, business and research.

The new strategy is also expected to combine a successful exit from the general economic crisis with an ambitious structural reform agenda with actions at both EU and national levels.

It was also acknowledged the crucial role that the Competitiveness Council will have to play in the coordination, implementation and monitoring of the future strategy.

**EUROPEAN RESEARCH COUNCIL: REVIEW OF ITS STRUCTURE AND MECHANISMS - Council conclusions**

The Council adopted the following conclusions on the review of the structures and mechanisms of the European Research Council: [6361/10](#).

**MOBILITY AND CAREERS OF EUROPEAN RESEARCHERS - Council conclusions**

The Council adopted conclusions on the mobility and careers of researchers and agreed to forward them to the employment and social policy ministers for an exchange of views on 8 March.

The conclusions are set out in document: [6362/2/10](#)

**EUROPEAN EARTH OBSERVATION PROGRAMME (GMES) AND ITS INITIAL OPERATIONS (2011-2013)**

The Council took note of a Presidency progress report ([6069/10](#)) on a draft regulation on the European Earth observation programme (GMES) and its initial operations (2011-2013).

The draft regulation is aimed at establishing GMES as an operational programme by providing additional funds for its initial operations, in order to enable a gradual build-up of capabilities up to the end of the current EU financial framework in 2013.

The proposal, which was presented by the Commission in May 2009 ([10285/09](#)), is currently under examination by EU experts with a view to reaching an early agreement with the European Parliament. The main outstanding issues of the proposal are the funding for 2011 to 2013, the governance and the treatment of data and information policy.

GMES is an EU-led initiative to develop Europe's own operational Earth observation capacity in order to collect information about the planet's physical, chemical and biological systems or, more generally, monitoring of the natural environment. It draws on both space-based (i.e. satellites) and ground-based installations. Data collected via satellites are processed to provide information services allowing better management of the environment and enhancing security for citizens.

**BALTIC SEA RESEARCH PROJECT ("BONUS-169 PROGRAMME")**

During a public session, the Council took note of a Presidency report on the ongoing work aimed at approving the participation by the Community in a research project in the Baltic Sea ("BONUS-169 programme") undertaken by several EU countries ([6046/10](#)).

The Commission and the Baltic countries made statements highlighting the importance of the project for the Baltic region.

BONUS-169 is a joint research programme undertaken by the eight Baltic Sea member states (Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden) in support of the Baltic Sea region's sustainable development.

Its main objective is to provide an effective response to key challenges in the region in relation to environmental protection and sustainable development, tourism, aquaculture, food safety, maritime transport and socio-economic issues ([15234/09](#)).

BONUS-169, which is in line with the objectives of the European strategy for maritime research and the Union's strategy for the Baltic Sea region, is to be considered as a pilot case for other similar regional initiatives. Moreover, the initiative is also intended to help the establishment and structuring of the European Research Area in the region.

## **OTHER BUSINESS**

### **Ministerial working lunch**

Over lunch on 1 March, ministers exchanged views on priority areas for reinvigorating the single market and the links between market integration in goods, services, labour and capital and the social and citizens' dimensions of Europe. The informal debate followed an introduction by Mr Mario Monti, president of the Bocconi University, who has been entrusted with the mission to drawing up a report on the future of the internal market.

Mr Antonio Tajani, new commissioner for industry and entrepreneurship, and Mr Michel Barnier, new commissioner in charge of internal market and services, also attended the ministerial lunch.

The research ministers' informal working lunch on 2 March was devoted to the development of the European Research Area and targets and indicators to measure it, with the participation of the new commissioner for research, innovation and science, Mrs Máire Geoghegan-Quinn.

### **Copenhagen Conference on climate change: implications for European industry**

The Commission presented oral information on the outcome of the Copenhagen Conference of December 2009 and its impact on EU efforts for climate change and transforming Europe into a low-carbon economy.

### **Informal Competitiveness Council on 8 and 9 February**

The Presidency briefed the Council on the outcome of the informal Competitiveness Council meeting that took place in San Sebastián, Spain, on 8 and 9 February ([6760/1/10](#)).

At the meeting, ministers responsible for research discussed the upcoming challenges with regard to the European Research Area. On the second part of the meeting the Spanish Presidency undertook to promote a European strategy on electric vehicles and to continue the debate at the Competitiveness Council in May.

**Electric vehicles: standardisation**

The Presidency and the Commission provided with information on the state of work and the steps to take with a view to adopting a harmonised type-approval system for both pure electric (propelled exclusively by the power stored in their batteries) and hybrid vehicles (combination of electric propulsion with internal combustion engines) taking into account environmental performance ([6827/10](#)).

**Development of the internal market - Services directive**

The Council took note of the state of transposition of the directive on services into national law, as it stands two months after the expiry of the transposition deadline. A report delivered by the Commission ([6817/10](#)) points out the need for urgent action on several issues and in a number of EU member states.

This directive, adopted in 2006, aims at eliminating obstacles to trade in services, allowing the development of cross-border operations, bringing down prices and improving the quality and choice for consumers. The Council adopted conclusions on this subject on 16 February 2010 ([6060/10](#)).

The Commission also presented the following three reports:

- The Internal Market Scoreboard No 20: state of play of implementation by member states of internal market directives into national law;
- Report on the SOLVIT system (an online internal market problem solving network);
- Report on the “Citizens Sign Post Service”, a service that provides personalised advice to individual citizens in relation to the rights they enjoy under single market rules.

Moreover, the Commission presented statistics on the use of the Internal Market Information (IMI) system in 2009. IMI is an electronic tool developed to improve communication between member states administrations for a more effective day-to-day cooperation in the implementation of internal market legislation ([6922/10](#)).

**ITER experimental fusion reactor project**

The Council took note on preparations carried out by the Commission with a view to the next meetings of the council of the ITER International Fusion Energy Organisation. It also took note of the appointment of Mr Frank Briscoe (UK) as new director of the "Fusion for energy" agency, the joint undertaking that manages Europe's contributions to the ITER project (<http://fusionforenergy.europa.eu/>).

**Public-Private partnership initiatives**

The Commission presented a report on the development of the following public-private partnership (PPP) initiatives: "Factories of the future", "Energy-efficient buildings" and "Green cars". The three PPPs will commit €3.2 billion over the period 2010-2013, with half coming from private sources and half from the EU's Seventh framework programme for research.

This will be one of the main topics of the upcoming conference "The European framework programme: from recovery to sustainability", to take place in Valencia, Spain, on 13 and 14 April.

On 19 November 2009, the Commission presented its communication entitled: "Mobilising private and public investment for recovery and long-term structural change: developing PPPs".

The Commission also submitted a report on a PPP for the future of Internet ([6807/10](#)), following its proposal for a EU-wide Internet innovation strategy of October 2009. Current research efforts on the future Internet are addressed in more than 90 EU-funded projects involving some €400 million.

**Event on information and communication technologies for energy efficiency**

The Council took note of the outcome of the second edition of the high-level event on information and communication technologies for energy efficiency that took place in Brussels on 23 and 24 February. On 9 October 2009 the Commission adopted a recommendation on this subject ([14450/09](#)).

**Euro-Mediterranean conference on education, research and innovation**

The Council took note of information by the Slovenian delegation on the preparations for the Euro-Mediterranean ministerial conference on higher education, research and innovation that will take place in Brdo, Slovenia, on 25 April.

**OTHER ITEMS APPROVED**

**COMMON FOREIGN AND SECURITY POLICY**

**Restrictive measures (Eritrea - Iraq - Liberia - Somalia)**

**Eritrea**

The Council adopted a decision (5534/10) imposing restrictive measures against Eritrea in line with the United Nations Security Council resolution (UNSCR) 1907 (2009).

For more details, see (6383/10).

**Iraq**

The Council adopted a common position amending common position 2003/495/CFSP on Iraq, implementing UN Security Council (UNSC) resolution 1905 (2009) ([5789/10](#)).

The UNSC resolution 1905 (2009) extends, until 31 December 2010, the arrangements for depositing proceeds from export sales of petroleum, petroleum products and natural gas into the *Development Fund for Iraq* and the immunity from legal proceedings of certain Iraqi assets, as referred to in UNSC resolutions 1483 (2003) and 1546 (2004).

In addition, the Council adopted a regulation amending regulation 1210/2003 concerning certain specific restrictions on economic and financial relations with Iraq ([5791/10](#)), in order to implement the above mentioned measures at Community level.

**Liberia**

The Council adopted a decision amending the current restrictive measures on arms against Liberia in order to implement the resolution 1903 adopted by the United Nations Security Council on 17 December 2009.

**Somalia**

The Council adopted a decision amending common position 2009/138/CFSP concerning restrictive measures against Somalia, in order to bring it in line with the UN Security Council (UNSC) resolution 1907 (2009) ([5502/09](#)).

Last December, the UN Security Council adopted resolution 1907 (2009) introducing additional restrictive measures against Somalia and calling upon all States to inspect, in accordance with their national legislations and consistent with international law, all cargoes to and from Somalia, in their territory, including seaports and airports, provided that there exist reasonable grounds to believe that the cargo contains items prohibited under the arms embargo to Somalia.

In February 2009, the Council adopted common position 2009/138/CFSP implementing UNSC resolution 1844 (2008), which introduced restrictive measures against those who seek to prevent or block a peaceful political process, or those who threaten the Transitional Federal Institutions (TFIs) of Somalia or the African Union Mission in Somalia (AMISOM) by force, or take action that undermines stability in Somalia or the region.

**TRADE POLICY****Anti-dumping - Imports of furfuryl alcohol from China**

The Council adopted a regulation amending regulation 1202/2009 imposing a definitive anti-dumping duty on imports of furfuryl alcohol originating in China following a 'new exporter' review pursuant to regulation 1225/2009 ([6334/10](#)).

**ENVIRONMENT****Register for biocidal products**

The Council decided not to oppose the adoption of a Commission's decision to establish a register for biocidal products.

Under the regulatory procedure with scrutiny, the Council can oppose an act which exceeds the implementing powers of the Commission, is not compatible with the aim or content of the basic instrument or does not respect subsidiarity or proportionality if the regulatory committee previously supported the envisaged measures.

**Trade with illegally harvested timber\***

The Council adopted its first-reading position on a draft regulation laying down obligations of operators who place timber and timber products on the European market ([6527/1/10 REV 1](#) + [6527/1/10 ADD 1 REV 1](#) + [5885/10](#) + [5885/10 ADD 1](#)). The Netherlands voted against, while the United Kingdom abstained. The future regulation is aimed at minimizing the risk of placing illegally harvested timber and timber products on the EU market. During a written procedure completed on 29 January 2010, the Council reached political agreement on its first-reading position.

For further details, see *5688/10*.

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