

Brussels, 18 December 2012

BACKGROUND¹ <u>TRANSPORT, TELECOMMUNICATIONS</u> AND ENERGY COUNCIL

Brussels, Thursday 20 December 2012

The meeting will start on 9.00 with transport issues and will continue after lunch, at 14.00, with telecommunications items. The entire meeting will be chaired by Mr Efthemios FLOURENTZOU, Cyprus' minister for communications and works.

<u>Transport</u>

The Council will seek a general approach on a proposed update of the common rules on periodic *roadworthiness tests* for motor vehicles.

The Council will take note of the state of play regarding two draft regulations on: - the **Connecting Europe Facility** (CEF), which is the future funding instrument for the trans-European networks in the transport, energy and telecommunications sectors, and - the new financial and governance framework for the European satellite navigation systems EGNOS and Galileo for the period 2014 to 2020.

Furthermore, the Council is due to adopt conclusions in response to the Commission's communication on the future challenges for the EU's **external aviation policy**. In addition, under "Any Other Business", transport commissioner Kallas will inform the Council on the recent developments concerning the application of the EU's emission trading system (**ETS**) in the aviation sector.

The Council is also expected to authorise the signing and provisional application of an aviation agreement with **Israel**.

The morning session will be completed by the Irish minister who will present the **work programme** of the incoming Irish presidency in the area of transport.

On the sidelines of the Council meeting, the European Union and the European Organisation for the Safety of Air Navigation (**Eurocontrol**) will sign an agreement establishing a general framework for enhanced cooperation.

Over lunch, transport ministers will have the opportunity to reflect on the potential of the transport sector as a convergence platform towards energy and telecommunication infrastructures.

The presidency will hold a press conference at the end of the morning session (+/-12.15).

¹ This note has been issued under the responsibility of the Press Office.

Telecommunications

The Council will hold a debate on a draft regulation aimed at enabling secure electronic transactions across the EU and will take note of a progress report.

Ministers will also take stock of progress made regarding a draft regulation on guidelines **for trans-European telecommunications networks** and regarding a draft directive on the re-use of **public sector information**.

Finally, within the framework of the implementation of the **Europe 2020 strategy**, the Council will hold a debate on the mid-term review of the Digital Agenda for Europe and the next steps to be taken. The debate will also include relevant aspects of the Annual Growth Survey 2013.

Under "Any Other Business", the presidency will brief the Council on the **European Network and Information Security Agency** (ENISA), and commissioner Kroes will inform the Council on the proposal for a directive on the **accessibility of public sector bodies websites**.

Before the meeting is concluded, the Irish minister will present the **work programme** of the incoming Irish Presidency in the area of telecommunications and information society.

The presidency will hold a press conference at the end of the session (+/- 18.15).

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TRANSPORT

LAND TRANSPORT

Regular vehicle checks for roadworthiness

The Council will seek a general approach on a proposed update of the common rules on periodic roadworthiness tests for motor vehicles (17720/12 + 17720/12 ADD I). The key objective of the draft directive is to improve road safety. It lays down minimum requirements, which leaves member states free to impose stricter rules.

As a result of the transport ministers' debate on the proposal at their last meeting in October (see press release 15491/12, pp. 14-15) and following the discussions in the Council's preparatory bodies, the draft directive to be submitted to the ministers substantially amends the original Commission proposal (12786/12).

The draft text does not retain the Commission's proposal to extend the scope of periodic tests to scooters, motorcycles and light trailers. Fast tractors with a maximum speed over 40 km/h, however, have been included in the scope, if they are mainly used on public roads and with possible exemptions for tractors used for agricultural, horticultural, forestry or fishery purposes and only operating on the territory of the member state.

While the Commission proposed to increase the minimum frequency of checks for older cars and light commercial vehicles from every two years to every year, the presidency's draft maintains the current rules.

Moreover, the legal form of the draft legislation has been changed from a regulation, as proposed by the Commission, to a directive, which leaves more scope for taking into account the particularities of the member states.

A broad majority of member states support the draft tabled by the presidency. Some delegations, though, would prefer to subject light commercial vehicles to annual testing. In addition, different delegations still have concerns about certain issues, such as the exclusion of motorcycles or light trailers from the directive, the legal form, or appropriate sanctions for odometer tampering.

The Commission has reservations on the changes to the scope, the frequency of testing and the legal form as well as on the deletion of a provision which would have given it the power to update certain elements of the technical annexes in the light of technical progress.

Compared with the current rules, the draft directive also introduces new requirements designed to ensure high testing standards and relating in particular to test equipment, skills and training of testing personnel and supervision of testing centres; the annexes with the technical testing details have also been updated. Detection of odometer tampering will be facilitated by making available to inspectors the odometer readings from the previous test. In addition, the new text provides for the mutual recognition of roadworthiness certificates in the event of re-registration of a vehicle in another member state. More generally, administrative cooperation between member states will be enhanced, and the feasibility of an electronic vehicle information platform will be explored.

After five years, the Commission will review the effectiveness of the directive and, if necessary, present new proposals.

The proposed regulation, presented by the Commission in July 2012, is part of a "roadworthiness package" that also includes proposals for regulations on roadside inspections of commercial vehicles (12809/12) and on the registration documents for vehicles (12803/12).

HORIZONTAL AND INTERMODAL QUESTIONS

Connecting Europe Facility

The Council will take note of the state of play on the draft regulation establishing the Connecting Europe Facility (CEF), the future funding instrument for the trans-European networks (TEN) in the fields of transport, energy and telecommunications (progress report: 17107/12 + COR 1 REV I). The regulation determines the conditions, methods and procedures for the Union's financial contribution to TEN projects. It will replace the existing legal bases for TEN funding. Complementing these general rules, sector-specific policy guidelines will be adopted separately to define development strategies, priorities and implementation measures for each of the sectors.

In June this year, the Council agreed a partial general approach on the CEF (<u>11236/12</u>) which did not include the financial provisions, pending the negotiations on the new Financial Regulation and on the multi-annual financial framework (MFF) for the years 2014-2020. Since then, the majority of issues linked to the Financial Regulation have been solved. Items relating to the ongoing MFF negotiations, however, are still open, including the amounts allocated under the CEF, the amount to be transferred from the Cohesion Fund, and the question of whether value added tax should be an eligible cost for grants under the CEF. Other outstanding issues concern the provisions on financial aid through the use of innovative financial instruments such as project bonds, designed to leverage additional investment from private and public sources. In addition, further sector-specific discussions will be needed on the infrastructure priorities for the telecommunications sector, as listed in the annex to the CEF regulation (the issue will be addressed by telecommunications ministers in the afternoon session on 20 December).

The Commission presented its proposal in October 2011 (16176/11). The European Parliament, whose approval is also required for the adoption of the regulation, has yet to determine its position on the proposal.

For more details on the CEF, see also the press release on the adoption of the partial general approach ($\frac{10479/12}{p}$, pp. 9-11).

Financing and governance of the European satellite navigation systems

The Council will take note of the state of play on the draft regulation defining a new financial and governance framework for the European satellite navigation systems (EGNOS and Galileo), for the period covered by the multi-annual financial framework 2014-2020 (progress report: <u>16871/12</u>).

In June this year, the Council agreed a partial general approach on the draft regulation (<u>11105/12</u>), leaving out, for the time being, the financial envelope for the satellite navigation programmes.

As the regulation also needs to be approved by the European Parliament, the competent Parliament committee examined the Commission's proposal in September and established a number of draft amendments. Since then, informal consultations with the Parliament have taken place to seek an agreement. The Parliament could accept a significant part of the Council's partial general approach, and agreement could also be reached on a number of technical issues. However, there remain in particular three issues to be settled: a request by the Parliament to include the development of applications in the scope of the regulation; the question of the powers to be given to the Commission for certain decisions concerning the implementation of the regulation; and some fine-tuning concerning the governance of the programmes.

Further progress on this regulation is closely linked to the outcome of the ongoing negotiations on the next multi-annual financial framework (MFF). No final decision can be taken, as long as the amount to be allocated to the EU's satellite navigation programmes under the MFF is not known.

The proposal presented by the Commission in December 2011 ($\underline{17844/11}$) contains the following key elements:

- a financial request of EUR 7.9 billion at current prices, to be fully financed from the EU budget. These appropriations, which might be downsized in the MFF negotiations, will be used to finance activities related to the completion of the deployment phase of Galileo and to the exploitation of the Galileo and EGNOS systems;
- a definition of the EU satellite navigation systems and programmes and of the services they will provide;
- a new governance framework that establishes a strict division of tasks between the Commission, the European GNSS Agency and the European Space Agency;
- rules on public procurement in the programmes.

For more details on the Council's partial general approach and, more generally, on Galileo and EGNOS, see also press release <u>10479/12</u>, pp. 12-14.

AVIATION

External aviation policy

The Council is due to adopt conclusions providing guidelines for policy-making both at EU and national level as regards aviation relations with non-EU countries (17558/12).

The conclusions come in response to a communication presented by the Commission in September 2012 on the EU's external aviation policy (14333/12). The communication reviews the progress achieved since 2005 when the Council agreed on an agenda for external aviation policy, analyses the challenges the EU aviation sector is facing and proposes ways to address them.

Endorsing the key elements of the Commission's communication, the Council stresses the importance of a competitive aviation sector in the EU and the need to place aviation relations with third countries on a sound legal basis and to further enhance relations, taking into account the particularities of the partner countries. Whilst recognising the progress made, the Council calls for a more ambitious policy based on the principles of reciprocity and open and fair competition. Finally, it underscores the key role of the International Civil Aviation Organisation (ICAO) in developing a more appropriate economic regulatory framework for global aviation and in addressing greenhouse gas emissions from international aviation.

Aviation agreement with Israel

The Council is expected to authorise the signing and provisional application of an aviation agreement between the EU and its member states on the one hand and Israel on the other (agreement: 16828/12; decision on signing: 16826/12).

The agreement provides in particular for a gradual and reciprocal market opening - with full market opening by 2017 -, an increase in weekly flight frequencies and the possibility for EU airlines to operate freely from any point within the EU to any point in Israel. In addition, new arrangements, based on EU legislation, for regulatory cooperation and convergence between the EU and Israel are established in fields essential for the safe, secure and efficient operation of air services. Moreover, the agreement aims at establishing a level playing field for economic operators and promotes fair competition among airlines.

OTHER BUSINESS

- Emissions trading in the aviation sector Update from the Commission (<u>17703/12</u>)
- Implementation of new requirements on sulphur content of marine fuels *Information from the French delegation* (<u>17790/12</u>)
- Work programme of the incoming presidency *Information from the Irish delegation*

TELECOMMUNICATIONS

Trust and confidence in electronic transactions in the internal market

The Council will, **in a public session**, hold a policy debate on a draft regulation on electronic identification and trust services for electronic transactions in the internal market. In addition, it will take note of a presidency progress report which reflects the progress made to date and identifies issues requiring further discussions (17269/12).

The proposed legal framework seeks to enable secure and seamless electronic interactions between businesses, citizens and public authorities, thereby increasing the effectiveness of public and private online services, e-business and electronic commerce in the EU. It should contribute to achieving of a fully integrated digital single market. The European Council has repeatedly called for a swift adoption of this proposal.

The Commission presented this proposal on 4 June 2012 (<u>10977/12</u>). The draft regulation enhances current rules for electronic signatures and lays down a legal framework for other trust services such as electronic seals, electronic time stamps, electronic documents, electronic delivery services and website authentication. It will contribute to building trust and confidence in electronic transactions in the internal market.

The European Parliament's ITRE committee vote is scheduled for July 2013.

Trans-European telecommunications networks

In a public deliberation, the Council will take note of a progress report on a draft regulation on guidelines for trans-European telecommunications networks (<u>17257/12</u>).

The Commission presented its proposal in October 2011 (*16006/11*). The draft regulation will establish guidelines covering the objectives and priorities envisaged for broadband networks and digital public service infrastructures. The guidelines will identify projects of common interest in this respect.

In the field of broadband networks, projects of common interest will support the rollout of highspeed or very high-speed broadband networks. This will contribute to reaching, by 2020, the Digital Agenda for Europe targets of universal coverage at 30 Mbps; or having at least 50% of households subscribing to speeds above 100 Mbps. A balanced portfolio of 30 and 100 Mbps projects is envisaged across the EU.

Projects of common interest in the field of digital service infrastructures could include trans-European high-speed backbone connections for public administrations, cross-border delivery of eGovernment services based on interoperable identification and authentication enabling access to public sector information, multilingual resources, online safety and security and smart energy services. The EU funding related to this regulation is to be negotiated in the context of the Connecting Europe Facility financing instrument, relating to the next multiannual financial framework (2014-2020). The Commission presented this proposal in June 2011 (*16176/11*) with the aim of promoting the completion of priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, of which EUR 9.2 billion would be allocated to broadband networks and digital service infrastructures.

The European Parliament's ITRE committee's vote took place on 5 November 2012.

Public sector information

In a public session, the Council will take note of a presidency progress report on the work done to date on this file (17272/12).

In addition, the presidency will brief ministers on the outcome of the first trialogue with the European Parliament that took place on 17 December 2012. The next trialogue will be held under the Irish presidency in early 2013.

The Commission presented its proposal to revise directive 2003/98/EC on re-use of public sector information (PSI) in December 2011 (<u>18555/11</u>). It forms a part of the <u>Digital Agenda for Europe</u> and the Europe 2020 strategy for smart, sustainable and inclusive growth.

Public sector information is the single largest source of information in Europe. It is produced and collected by public bodies and includes digital maps, meteorological, legal, traffic, financial, economic and other data. Most of this raw data could be re-used or integrated into new products and services which we use on a daily basis, such as car navigation systems, weather forecasts, financial and insurance services.

The aim of this proposal is to eliminate persistent and emerging differences between member states in the exploitation of public sector information which hamper realisation of the full economic potential of this resource. In addition, it aims to facilitate the creation of Union-wide products and services based on PSI and to ensure the effective cross-border use of PSI for value-added products and services.

The Commission's amending proposal contains three new main elements in particular: extension of the scope to cover cultural institutions as well, the obligation to allow the re-use of existing accessible documents held by public sector bodies and the charging rules for re-use.

Europe 2020 Strategy

Like several other Council configurations, the Telecoms Council will, within the framework of the implementation of the Europe 2020 strategy for jobs and growth, hold a **public policy debate** on the mid-term review of the Digital Agenda for Europe and the next steps to be taken. This debate will also include relevant aspects of the 2013 Annual Growth Survey (<u>16669/12</u>) and will contribute to the European Semester exercise, the cycle of economic policy coordination under the Europe 2020 strategy for jobs and growth.

On the basis of a presidency note $(\underline{17339/12})$, ministers will assess the progress made on the priorities of the Digital Agenda for Europe and focus on the need for more intensive efforts at EU level in order to meet the challenges identified in the ICT sector and the digital single market.

The 2013 Annual Growth Survey sets out the economic and social priorities for the EU by providing overall guidance to the member states and the EU in conducting their policies. It also includes the first Report on the State of the Single Market Integration (17281/12), which further develops the EU's challenges and priorities for to better stimulating the digital economy.

The Digital Agenda Review, which the Commission plans to adopt on 19 December, is intended to consider how best to refocus it in order to better stimulate the digital economy through mutually enhancing and complementary measures in key areas.

The ministers' debate will also be a first step in preparations for the 2013 October European Council devoted to innovation and digital policies.

OTHER BUSINESS

Telecommunications

- European Network and Information Security Agency *Presidency briefing*
- Accessibility of public sector bodies' websites Information from the Commission
- Work programme of the incoming presidency *Irish delegation briefing*