PRESS RELEASE

3243rd Council meeting

Transport, Telecommunications and Energy

Luxembourg, 6-7/10 June 2013

President   **Mr Pat RABBITTE**
Minister for Communications, Energy and Natural Resources
of Ireland

P R E S S

Main results of the Council

Telecommunications:

*The Council held a debate on the role of the telecommunications and the information and communication technologies sectors within the framework of the **Digital Agenda for Europe**. Ministers expressed their views on what the main features of an EU single telecommunications market should be. The outcome of the debate will contribute to the preparation of the October European Council, which will focus on innovation and on the digital agenda.*

*Moreover, ministers took note of the state of play and discussed a proposed directive aimed at ensuring a high common level of **security of electronic communications networks and information systems** across the Union. The proposal is part of the European cyber-security strategy as outlined by the Commission.*

The Council also took note of progress made on a number of other legislative proposals, namely:

– *a regulation aimed at enabling **secure electronic transactions** across the EU, which lays down rules for electronic identification and trust services for electronic transactions in the internal market and establishes a legal framework for electronic signatures, electronic seals, electronic time stamps, electronic documents, electronic delivery services and website authentication;*

– *two regulations concerning digital infrastructure and services: firstly, guidelines for the development of **trans-European telecommunications networks**, for which the Commission recently adopted an amended proposal; secondly, measures to foster the **deployment of high-speed electronic communication networks** by **reducing the costs** involved, for instance by sharing infrastructure such as gas, water or power conduits;*

– *a directive aimed at harmonising member states' rules on the **accessibility of public sector bodies' websites**, so as to remove barriers for web developers in the internal market and to improve the level of accessibility throughout the EU.*

Energy

*The Council took note of a progress report on a draft directive on **indirect land-use change** amending the fuel quality and renewable energy directives, which aims to minimise the impact of indirect changes of land use on greenhouse gas emissions.*

*The Council adopted **conclusions** on the Commission communication "**Making the internal energy market work**". The conclusions sets detailed tasks to be accomplished in order to achieve the 2014 and 2015 deadlines set by the European Council, to improve the rights and roles of consumer and to make the transition to the energy market of the future. They follow on the European Council conclusions on inter alia energy issues, adopted on 22 May 2013.*

*The Council also held a policy debate on the Commission communication on **Energy Technologies and Innovation**". The debate will contribute to the ongoing reflection on priorities for research, development and innovation in energy until 2020 and beyond as well as on the means to support the implementation of these priorities.*

CONTENTS[1]

OTHER ITEMS APPROVED

none

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[1] • 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.

PARTICIPANTS

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

Belgium:
Mr Olivier BELLE   Deputy Permanent Representative
Bulgaria:
Ms Petia VASSILEVA   Deputy Permanent Representative

Czech Republic:
Mr Pavel KOLÁŘ   Deputy Minister of Interior
Mr Pavel ŠOLC   Deputy Minister of Industry and Trade
Mr Bedřich DANDA   Deputy Minister of Industry and Trade

Denmark:
Mr Jonas BERING LIISBERG   Deputy Permanent Representative

Germany:
Mr Stefan KAPFERER   State Secretary, Federal Ministry of Economic Affairs and
                                                          Technology
Mr Guido PERUZZO   Deputy Permanent Representative

Estonia:
Mr Juhan PARTS   Minister of Economic Affairs and Communications of
                                                          Estonia

Ireland:
Mr Pat RABBITTE   Minister for Communications, Energy and Natural
                                                          Resources

Greece:
Mr Asimakis PAPAGEORGIOU   State Secretary for the Environment, Energy and Climate
                                                          Change

Spain:
Mr José Pascual MARCO   Deputy Permanent Representative

France:
Mr Alexis DUTERTRE   Deputy Permanent Representative

Italy:
Mr Antonio CATRICALA'   Deputy Minister for Economic Development
Mr Claudio DE VINCENTI   State Secretary

Cyprus:
Mr Yiorgos LAKKOTRYPIS   Minister for Energy, Commerce, Industry and Tourism
Mrs Maria HADJITHEODOSIOU   Acting Deputy Permanent Representative

Latvia:
Mr Daniels PAVĻUTS   Minister for Economy
Mr Aleksandrs ANTONOVS   State Secretary

Lithuania:
Mr Rimantas SINKEVIČIUS   Minister for Transport and Communications
Mr Jaroslav NEVEROVIČ   Minister for Energy

Luxembourg:
Mr Etienne SCHNEIDER   Minister for Economy and Foreign Trade
Ms Michèle EISENBARTH   Deputy Permanent Representative

Hungary:
Mr Olivér VÁRHELYI   Deputy Permanent Representative

Malta:
Mr. Konrad MIZZI   Minister for Energy and the Conservation of Water
Mr Edward ZAMMIT LEWIS   Parliamentary Secretary for Competitiveness and
                                                          Economic Growth

Netherlands:
Mr Wepke KINGMA   Deputy Permanent Representative

Austria:

Mr Reinhold MITTERLEHNER	Federal Minister for Economic Affairs, the Family and Youth
Mr Harald GÜNTHER	Deputy Permanent Representative

Poland:

Mr Michał BONI	Minister for Administration and Digitisation of Poland
Mrs Hanna TROJANOWSKA	Undersecretary of State, Ministry of Economy

Portugal:

Mr Artur TRINDADE	Secretary of State of Energy
Mr Pedro COSTA PEREIRA	Deputy Permanent Representative

Romania:

Mr Dan NICA	Minister for Information Society
Mr Constantin NITA	Minister with responsibility for Energy

Slovenia:

Mr Samo OMERZEL	Minister for Infrastructure and Spatial Planning
Mr Uros VAJGL	Deputy Permanent Representative

Slovakia:

Mr Frantisek PALKO	State Secretary
Mr Dušan PETRÍK	State Secretary at the Ministry of the Economy

Finland:

Ms Pia VIITANEN	Minister for Housing and Communications
Ms Marja RISLAKKI	State Secretary, Ministry of Employment and Economy

Sweden:

Ms Anna-Karin HATT	Minister for Information Technology and Energy
Mr Jan Roland OLSSON	Deputy Permanent Representative

United Kingdom:

Mr Ed VAIZEY	Minister for Culture and Communications
Ms Shan MORGAN	Deputy Permanent Representative

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Commission:

Ms Neelie KROES	Vice President
Mr Günther OETTINGER	Member

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The Governments of the Acceding States were represented as follows:

Croatia:

Ms Irena ANDRASSY	Deputy Permanent Representative

TELECOMMUNICATIONS

Digital Agenda for Europe - the role of the telecommunications and the information and communication technologies sectors

The Council held a debate on the state of play and remaining obstacles for establishing a single digital market in the EU, which should be completed by 2015. The outcome of the debate will contribute to the preparation of the October European Council, which will focus on innovation and on the digital agenda. The Irish presidency will submit a summary of the results of the discussions to the president of the European Council.

Ministers took note of the Commission's intention to present a package of new proposals for making a single telecommunications market work.

In their debate, which was based on a presidency paper (*9756/13*), ministers generally supported the principle of a single EU telecommunications market. There was broad agreement on a number of issues in this respect. All citizens should have access to broadband services wherever they are located, and it is important to enhance citizens' digital skills and competences. Moreover, measures are needed to encourage greater investment in the telecommunications sector. There is also a need to ensure a strong, consistent and predictable regulatory environment, including better cooperation between regulators, and to safeguard the interests of consumers.

Some member states, however, were sceptical about the need for new legislation in this field, and some concerns were also expressed about an aggregation of market powers in the hand of a few companies. Moreover, the need to take into account the specific circumstances of member states was underscored.

Security of electronic communication and information systems

The Council discussed a proposal for a directive aimed at ensuring a high common level of security of electronic communication networks and information systems across the EU (*6342/13*). The discussion was based on a progress report by the presidency on the work done so far in the Council's preparatory bodies (*10076/13*).

As the importance of electronic communication and information systems for the economy and the society is growing, the risk of accidental security incidents or deliberate attacks is also increasing. The Commission considers that the current differences in member states' approaches and levels of preparedness weaken the security of interconnected networks where substantial disruption in one member state can also affect other member states.

To address this situation, the proposed directive provides in particular that:

–   all member states must have in place a minimum level of capability to prevent, handle and respond to risks and incidents affecting information systems; this includes the establishment of a national competent authority, a national computer emergency response team and national strategies and cooperation plans;

–   a network for cooperation between the national authorities should be created in order to ensure a coordinated response to incidents, where necessary, and uniform application of the directive throughout the EU;

–   public administrations and market operators, such as providers of internet networks and services or operators of critical infrastructures in the fields of energy, transport, finance and healthcare, have to properly assess the risks posed to their information systems, take appropriate measures to prevent and deal with incidents and report any serious incident to the competent authorities.

In their discussion of the proposal, ministers acknowledged how serious the issue of cyber-attacks is and, as a consequence, the high priority of improving security in this field. Many member states, however, favoured a more flexible approach, with EU-wide binding rules limited to critical infrastructure and basic requirements, complemented by optional, voluntary measures. Other delegations, on the contrary, were of the opinion that only legally binding measures would be able to ensure network security throughout the EU.

Moreover, many delegations underscored the importance of coordination at a global level when introducing security standards, not least in order to achieve comparable conditions for internationally operating companies. Nevertheless, the need to establish high security standards within the EU, even if they are higher than elsewhere, was widely recognised.

Other issues identified in the progress report as requiring further discussion include the identification of the market operators that should fall within the scope of the directive, the specific obligations to be imposed on the different actors concerned, the notification obligations and the governance structure for the implementation of the directive.

The directive also needs to be approved by the European Parliament in order to be adopted.

This draft directive is the main action under the **European cyber-security strategy** outlined by the Commission in its communication promoting "an open, safe and secure cyberspace" (*6225/13*) and which identifies achieving resilience against risks and threats to cyber-security as one of the priorities for action. The other priorities specified in the strategy are reducing cyber-crime, developing cyber-defence in the framework of the Union's Common Security and Defence Policy, developing the industrial and technological resources for cyber-security and establishing a coherent international cyberspace policy for the EU.

Enhancing trust in electronic transactions

The Council took note of progress made on a draft regulation intended to enhance trust in electronic transactions by setting up a legal framework for electronic identification and other electronic trust services in the internal market (progress report: *10100/13*). The aim is to enable secure and seamless electronic interactions between businesses, citizens and public authorities, thereby contributing to achieving a fully integrated digital single market in the EU.

To this end, the draft regulation provides for mutual recognition and acceptance of electronic means of identification across the EU. In addition, it strengthens the current rules on electronic signatures and introduces rules on the legal effects and the admissibility in legal proceedings of other trust services such as electronic seals, electronic time stamps, electronic documents, electronic delivery services and website authentication.

Work on this technically complex draft legislation under the Irish presidency primarily focused on electronic identification and, to a lesser extent, trust services. One key issue is that of assurance levels for electronic identification, which are required so that electronic means of identification issued in another member state can be recognised. While a number of delegations favour the principle of matching levels as a basis for recognition, other delegations would prefer to have the required assurance levels set out in the regulation. There is, however, broad support amongst delegations for a number of general principles regarding electronic identification: initial limitation on services provided by the public sector; ensuring interoperability between national identification infrastructures; technological neutrality; and the need for provision addressing security breaches.

A considerable number of other issues will also require further discussion, including:

–   liability with respect to electronic identification and trust services;

–   the treatment of trust service providers from third countries;

–   the supervision of trust service providers;

–   the effect of certain provisions concerning electronic signatures and electronic seals on national and procedural law;

–   the concept of "electronic document" and the appropriateness of covering electronic documents in this piece of legislation;

–   clarification of definitions;

–   the use of "delegated acts" empowering the Commission to adopt related legal acts on non-essential technical aspects of the regulation;

–   the deadline for the entry into force of the regulation.

The Commission presented its proposal in June 2012 (*10977/12*). A first progress report on the discussions held in the Council's preparatory bodies was presented to the telecommunications ministers in December 2012 (*17269/12*). The competent committees of the European Parliament are expected to determine their position on the proposal in July and September 2013. The European Council has called repeatedly for the swift adoption of this proposal.

Digital infrastructure and services

The Council took note of the state of play of two regulations concerning digital infrastructure and services (progress report: *10076/13*): the guidelines for the development of **trans-European telecommunications networks**, on the one hand, and measures to foster the **deployment of high-speed electronic communication networks** by **reducing the costs** involved, on the other.

The guidelines for **trans-European telecommunications networks** set out the objectives and conditions applying to projects of common interest aimed at deploying telecommunications services and infrastructure across the EU. The Commission's original proposal was presented in October 2011 (*16006/11*) and has since been discussed in the Parliament and the Council (see previous progress reports: *10451/12* and *17257/12*). However, in February this year, the European Council agreed on budgetary cuts reducing the funds available for the telecommunications sector under the future Connecting Europe Facility from EUR 9.2 billion to EUR 1 billion (see *EUCO 37/13*, p. 9). To take account of this situation, the Commission adopted an amended proposal on 28 May. It will now be the task of the Council's preparatory bodies to discuss the amended guidelines.

Under the new proposal (*10201/13*), the resources available would be concentrated mainly on one of the two key objectives of the original proposal, namely on providing support to trans-European digital services, notably interoperable service platforms. At the same time, the funding criteria would be tightened, and the number of services eligible for funding in this framework reduced. Nevertheless, limited support would also be available for the rollout of high-speed broadband networks, which was the other key objective of the original proposal; this support would be given through financial instruments designed to leverage private funds and investment from other public sources.

As regards the proposal for a regulation aimed at **fostering the deployment of high-speed electronic communications networks by reducing the costs involved**, presented by the Commission in March this year (*7999/13*), discussions in the Council's working party are still at an early stage.

In order to reduce costs, the Commission proposes introducing an obligation for utility networks (in the fields of electronic communications, gas, electricity, water or transport) to give access to their existing or planned infrastructure (such as gas, water or power conduits and buildings or masts) for the purpose of deploying broadband connections. Since civil engineering works account for much of the cost of network deployment, the Commission sees a strong potential for economies in such sharing of infrastructure. Each member state would set up a dispute resolution body to settle any disputes over access rights.

In addition, new buildings or buildings undergoing major renovation works would have to be equipped with infrastructure ready to be connected to high-speed broadband services, with possible exemptions where this would lead to disproportionate costs.

Other measures proposed to reduce costs include coordinating civil engineering works, symplifying permit granting procedures and facilitating access to information on network infrastructure through a single information point.

The first discussions showed that member states have concerns about the choice of a regulation rather than a directive, the potential costs and increased administrative burdens. Many delegations see a need to further examine the impact of the proposal, notably as regards its costs and benefits, the consequences for building owners and landlords, or the implementation of the proposed measures in countries with a federal structure. There are also doubts as to whether the proposed measures are proportionate to the objectives pursued and whether it is justified to impose this type of measures at EU level.

Both the guidelines for the trans-European telecommunications networks and the regulation on reducing the costs of high-speed internet connections also need to be approved by the European Parliament to be adopted.

Accessibility of public sector bodies' websites

The Council took stock of progress made on a proposal aimed at harmonising member states' rules on the accessibility of public sector bodies' websites, in order to remove barriers faced by web developers and related businesses in the internal market as a result of differing national approaches for and to improve the level of accessibility throughout the EU (progress report: *10089/13*).

The proposed directive lays down a general obligation for member states to ensure accessibility with two purposes in mind: enabling users to perceive and interact with websites adequately, and allowing for interoperability of user agents and assistive technologies. The accessibility requirements would be specified by the Commission in separate legislation. In addition, member states would need to take measures to promote and monitor the application of these requirements. The types of websites covered by the directive are set out in a list which each member state is free to extend. This harmonised framework is intended to pave the way for a European standard for web accessibility, which is currently being developed.

Although member states generally support the objective of increased accessibility of public sector websites, they have a number of concerns or doubts about the proposal, relating in particular to

–   its timing, since the European standard referred to in the proposal has not yet been adopted;

–   its added value, since international standards already exist and are largely applied by the sector and, in addition, most member states have already developed national accessibility policies;

–   the list of websites concerned;

–   the power to be given to the Commission to specify the accessibility requirements;

–   the monitoring and reporting obligations, which are considered to be too burdensome;

–   the implementation deadlines and

–   the costs that the implementation would involve.

Web accessibility refers to the principles and techniques to be observed when constructing websites, in order to render their content accessible to all users, and in particular those with disabilities. Website content includes textual and non-textual information as well as the functionalities for interaction with the website. Ensuring accessibility is of particular importance for websites of public sector bodies, to enable them to extend their reach and fulfil their public responsibilities. There is also a fast-growing market for the development of tools and the provision of services related to web accessibility. While most member states have introduced guidelines on this matter, actual accessibility is still low according to recent studies.

The proposal was presented by the Commission in December 2012 (*17344/12*). In order to be adopted, it also needs to be approved by the European Parliament.

Other Business

The incoming **Lithuanian presidency** presented its **work programme** for the second half of 2013 in the field of telecommunications and information society. It intends to continue work on the five legislative proposals which were on the agenda of this Council meeting and will try in particular to reach a speedy agreement with the European Parliament on the amended guidelines for trans-European telecommunications network. The proposals on the single telecommunications market that the Commission is expected to present will also be looked at. In addition, the European Council meeting in October will have a focus on digital issues, besides innovation.

Indirect land-use change

In a public session, the Council took note of a presidency progress report on the draft directive on indirect land-use change (ILUC) amending the fuel quality (98/70/EC) and renewable energy (2009/28/EC) directives. The proposed directive aims to minimise the impact of indirect land-use change on greenhouse gas emissions and to promote a transition to biofuels that deliver substantial greenhouse gas savings.

The progress report (*8920/13*) outlines the main issues discussed under the Irish presidency and tries to point at possible ways forward to facilitating the development of a Council position. The member states generally support the aim of tackling the global occurrence of indirect land-use change resulting from the production of biofuels that compete with food and feed. However, many delegations are concerned with a policy shift that could create uncertainty among investors, jeopardise existing investments and render the achievement of the existing EU renewables objectives more costly and challenging. The report covers the main issues discussed at the working party, in particular: the 5% threshold for conventional biofuels, ILUC factors, treatment of new installations, the bonus for degraded land, fraud prevention, the review clause and delegated acts. The same report will be presented to the Environment Council on 18 June.

Policy debates on this proposal were held by the TTE (Energy) Council on 22 February and the Environment Council on 21 March 2013. The Permanent Representatives Committee decided last December to establish an ad hoc working party on indirect land-use change to ensure that amendments to the two directives would be made coherently and consistently.

When these directives were adopted, the European Parliament and the Council asked the Commission to review the negative effects on greenhouse gas savings which might result from the conversion of land and, if need be, to present a legislative proposal. The draft directive aims to minimise greenhouse gas emissions resulting from situations where formerly non-agricultural land such as forests is used for food, feed or fibre production because agricultural land previously destined for this type of production is being converted to biofuel production.

The draft directive was presented by the Commission in October 2012 (*15189/12*). The European Parliament ENVI committee vote is scheduled for July 2013.

Making the internal energy market work

The Council adopted conclusions (*9809/13*) on the Commission communication "Making the internal energy market work". They follow on the European Council conclusions on *inter alia* energy issues, adopted on 22 May 2013.

Building on the Commission communication (*16202/12*), which was adopted on 16 November 2012, these conclusions detail an approach designed to complete the internal energy market and achieve the 2014 and 2015 deadlines as well as to improve the rights and roles of consumers. In addition, they include guidelines on how to contribute to the transition to the internal energy market of the future. The implementation of these conclusions will be reviewed by the end of 2014.

The conclusions emphasise the significant contribution that the internal energy market will make to all three pillars of the EU's energy policy - sustainability, competitiveness and security of supply - and to the EU's jobs and growth agenda. The internal energy market will also contribute to the EU's energy and climate targets, to the transition to a low-carbon economy, to the strengthening of the Union's external energy policy and to the reduction of the Union's external dependency.

The Commission communication reiterates the benefits of integrated European energy markets and sets out ways to ensure that the market fulfils its potential as soon as possible and satisfies the needs and expectations of EU citizens and businesses. It includes a proposal for an action plan to ensure the successful operation of the internal energy market. In its conclusions, the Council supports the broad thrust of this action plan and invites the Commission to proceed with the implementation of actions specified in these conclusions, reporting regularly to the Council bodies.

Energy technologies and innovation

Ministers held a policy debate on the Commission communication on "Energy Technologies and Innovation" adopted on 2 May (*9187/13*). The debate will contribute to the ongoing reflection on priorities for research, development and innovation in energy until 2020 and beyond, as well as on the means to support the implementation of these priorities.

Ministers were invited to answer two questions raised by the presidency (*9479/13*): the first focused on ministers' support for the Commission proposals in its communication. The second question sought to gauge ministers' support for the development of an integrated roadmap and action plan as described in the communication.

The presidency summarised the debate along the following lines:

–   ministers expressed broad support to the Commission proposals to accelerate innovation in cutting edge low-carbon technologies and innovative solutions and to speed up the introduction of new technologies to the market, looking at the whole innovation chain;

–   ministers agreed in general to the need for the European Strategic Energy Technology Plan (SET Plan) to be reinforced and adapted in order to respond to new challenges and to better consolidate public and private research and innovation capacity and resources across Europe;

–   ministers gave support to the development of an integrated roadmap and an action plan, as described in the Commission communication, through notably enhanced coordination of national energy research and innovation programmes, while preserving flexibility called for by technology development. The role of the EU Structural and Investment Funds was also noted;

–   ministers broadly supported an annual monitoring of the implementation of the integrated roadmap and action plan through a reporting system based on the Strategic Energy technologies Information System (SETIS). However, some concerns were expressed regarding burdensome reporting requirements.

The Communication sets out the Commission's strategy to ensure that the EU continues to have a world class energy technology and innovation sector to tackle the challenges for 2020 and beyond.

The SET Plan (established in 2008) establishes an energy technology policy for Europe. It is a strategic plan to accelerate the development and deployment of cost-effective low carbon technologies. The plan comprises measures relating to planning, implementation, resources and international cooperation in the field of energy technology.

For more information see the Commission website.

International relations

The Council was briefed by the presidency and the Commission on events and developments in international relations that have taken place during the Irish presidency, or are due to take place soon.

The briefing included, amongst other issues, EU-Russia energy relations, the International Energy Agency, the 4th Clean Energy Ministerial meeting (New Delhi, 17-18 April 2013), developments on the Southern Corridor, the EU-Algeria Memorandum of Understanding on Energy and the 4th meeting of the Strategic Group for International Energy Cooperation (Brussels, 13 March 2013).

Other business

Work programme of the incoming presidency

The Lithuanian delegation presented the incoming presidency's work programme in the energy sector *(9831/13)*. It will focus on the completion of the EU internal energy market by 2014 and on strengthening the external dimension of EU energy policy.

The informal ministers' meeting will take place on 19-20 September 2013 in Vilnius and the TTE (Energy) Council on 12 December 2013 in Brussels.

EVENT IN THE MARGINS OF THE COUNCIL

Political declaration of the Pentalateral Energy Forum

In the margins of the Council, Luxembourg, Belgium, the Netherlands, Germany, France, Austria and Switzerland signed a political declaration of the Pentalateral Energy Forum.

The Pentalateral Energy Forum is a temporarily, intergovernmental initiative, which goal is to enhance the cooperation between all relevant parties in order to create a regional Northwest-European electricity market as an intermediate step towards one common European electricity market.

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