

**Alun Michael, Minister for Industry and the Regions - Speech to the Industry, Research and Energy Committee of the European Parliament on the UK Presidency Work Plans - 13 July 2005**

Mr Chichester, Thank you for inviting me here today, Malcolm and I are covering a lot of ground together, I am grateful for this opportunity to outline the UK Presidency priorities.

The European Union is currently facing a number of important challenges. In particular, we are all committed to delivering a re-focused Lisbon Strategy following this year's Mid Term Review. We need to make more progress in delivering the Lisbon agenda of sustainable economic growth, more and better jobs and greater competitiveness. That is the only way to achieve economic success, jobs and opportunity for people across Europe.

Improving the European **regulatory environment** is a key area for the next 6 months. We will work to ensure that policy making and legislation in the EU is more effective, promotes European competitiveness and avoids imposing unnecessary burdens on business or hindering job creation.

My colleague, Lord Sainsbury has spoken to you earlier about the importance the UK Presidency places on **boosting our economies' potential for research and innovation** – a vital ingredient to growth. And finally, we hope to make progress to promote **open markets in an outward facing Europe** – to ensure that the internal market functions effectively and that our companies are able to compete in a global marketplace.

We hope to continue the good co-operation achieved by previous Presidencies with the European Parliament and especially with this Committee. We will use our Presidency as an important opportunity to seek the views and opinions of key business stakeholders. Parallel to this, we welcome the development of groups such as CARS21 by the Commission, to examine the competitiveness of the automotive industry, engaging the Commission, Member States, MEPs and industry.

One of the key challenges for the EU is to create the right climate for European business and inward investors, so I want to talk briefly about industrial policy in the EU. **The Commission's communication in 2004**, was a welcome statement of intent on how the EU should approach

the issue. It focussed on producing the framework conditions for competitiveness. It emphasised the need to improve the regulatory environment. It spoke of developing synergies between Community policies, such as R&D, Innovation and Skills and to improve their impact on industrial competitiveness. It also looked to develop the sectoral dimension of industrial policy. I thank members of the committee for your input – particularly that of your rapporteur, Mrs Vlasto. We look forward to seeing the follow up to this Communication in the autumn and the aim must be to ensure that our businesses are fit and able to compete with the best in the world.

I am very pleased that the chemicals legislation – **REACH** – is a priority for our Presidency. I visited the Parliament on a number of occasions when I was an Environment Minister, and as an Industry Minister my view is the same – there is a growing consensus on a way forward with REACH which will genuinely enhance protection of human health and the environment whilst keeping the bureaucracy to a minimum and maintaining industrial competitiveness. That gives us a real opportunity of identifying common ground on the key issues with a view to achieving political agreement. This is an ambitious objective which can only be achieved if we work together to make further improvements to the regulation. I am impressed by the excellent work on this dossier from your rapporteur, Mrs Ek, and also by Mr Sacconi in the Environment Committee. The willingness of MEPs to reconcile the different elements of REACH gives real hope of making progress during our presidency.

We are pleased to be taking forward the substantive discussions of the **Competitiveness and Innovation Programme**. This is an important proposal with a number of measures, which, if developed effectively, should improve support for innovative businesses, particularly high growth SMEs.

By the end of our Presidency we hope to have made substantive progress on achieving consensus amongst Member States. We hope to agree a General Approach on the Competitiveness and Innovation Programme in November, and I thank the Committee and your rapporteur Mr Chatzimarkakis, for all your work to date.

I would now like to turn to **Information Society and Telecommunications**. These sectors play a crucial role in achieving the Lisbon objectives by creating high quality employment, improving overall economic performance and by modernising services in the public and in the private sectors.

On **the legislative front**, during the Luxembourg Presidency, cooperation between our two institutions enabled the adoption of two important programmes: Safer Internet plus and eContentplus. We need to ensure that the Safer Internet Plus Programme objective - to ensure that European citizens can use the Internet safely especially with regard to children's use, is fully achieved within its timeline of 2008.

Moving quickly on, now we must turn our attention to some of the key future legislative issues. In particular, we will be looking forward to the 2006 review of the **2003 Regulatory Framework**. The effective implementation of the regulatory framework for electronic communications, including the completion of market reviews in each Member State, is absolutely essential in order to ensure the creation of a stable legal environment which encourages competition and stimulates investment in information and communication technologies. This is vital to safeguarding our position in what has become a fiercely competitive and global ICT economy.

A first Communication on the Review of the Scope of Universal Service has been transmitted to Member States and The European Parliament. This Communication not only assesses the need to revise the current scope of the Directive but also asks some questions about the future provision of universal telecommunications services. There are important challenges ahead, such as how new products can help deliver universal service, how funding should evolve as markets become more competitive, and how to ensure that vulnerable customers are not left behind as technology advances. We look forward to a second Communication after the summer break which will report on the results of the public consultation and which will take a closer look at some of these challenges.

Finally during our Presidency we will be reviewing, and hopefully agreeing to further funding for, the **Modinis** programme. This supports important work on benchmarking, data collection and best practice studies in the ICT area.

There are also several issues to be considered **outside the purely legislative area**.

The eEurope 2005 Action Plan will expire at the end of this year. The Council Resolution adopted during the Dutch Presidency called for a strategic approach to ICT policies and invited the Commission to start

work on a follow-up to eEurope 2005. In response to these calls, on 1<sup>st</sup> June, the Commission presented its proposal for a comprehensive ICT policy: “**i2010 – A European Information Society for growth and employment**”. The i2010 strategy represents a comprehensive strategy for modernising and deploying all EU policy instruments to foster growth and jobs in the information society and media industries.

We attach great importance to examining the i2010 Communications during our Presidency and we hope to produce Council Conclusions on this subject in December. We hope that discussions during our Presidency will lead to a broad consensus on the key goals that need to be the focus of our attention, and the key milestones on the road to achieving them, so that the important benefits of ICT to the Lisbon strategy are fully realised. To help us in this task, we are organising an i2010 Conference in London on 5-6 September.

This brings me to other non-legislative issues during our Presidency. The Commission has already submitted a Communication on accelerating the **transition from analogue to digital broadcasting**. We will examine this with great interest and we also hope to produce Council Conclusions on this subject. In particular, we will look at the Commission’s recommendation that there should be a common timescale for completing switchover across Member States.

We are also expecting to see the second **Radio Spectrum Policy** Report and we are also looking forward to a Communication which will outline general conditions for introducing **secondary trading** in the EU. We hope that this will look afresh at issues such as harmonisation, trading and facilitating access to spectrum for new technologies. I’d like to thank the Committee, and your rapporteur, Mrs Niebler, for all your work in this area to date. I would also like to announce that the UK Presidency is organising a Spectrum and Telecommunications event on 10-11 November.

We are also expecting two important communications on accessibility and inclusion, both of which will feed into the inclusion policy work of the i2010 strategy. These are the Communication on **e-Accessibility** and another which will report on the results of the **Digital Divide Forum**. In order to make progress on these important policy issues, the UK Presidency will be holding an e-Accessibility conference in London on 21 October and an e-Government conference on 24-25 November.

Another issue on the political agenda which has lately received a lot of

attention is **security and dependability of the internet**. The question of the security of information and the dependability of networks remains an underlying theme in all of our ICT thinking and we look forward to a Commission Communication on broader security issues later this year.

At the **international level**, we will see the culmination of an important process during our Presidency: The second phase of the **World Summit on Information Society** will end with the Tunis Summit, on 16-18 November 2005. The European Parliament has recognised the significance of this Summit and has recently adopted a report to this effect. The UK Presidency will endeavour to continue the diligent work accomplished by past Presidencies.

The preparatory process has entered a crucial phase: On 18 July there will be a formal presentation of the report of the Working Group on Internet Governance, set up by the UN Secretary General, and which has been mandated to produce a working definition of Internet Governance and to make appropriate proposals for action. The EU will continue to promote its vision, that we should not replace, but build on the existing structures of Internet Governance, with a special emphasis on the complementarity between all the actors, and on ensuring the continuity and the proper functioning of the Internet.

Delegates are also discussing how best to implement the Plan of Action agreed at Geneva. On the issue of Financial Mechanisms, we welcome the report of the UN Task Force and we will ensure that the agreements reached during last February's preparatory committee are endorsed by the Summit in November.

Last but not least, the UK Presidency will also endeavour to ensure the full and unobstructed participation of Civil Society in Tunis. All parties must respect fully the Declaration of Principles, agreed in Geneva in December 2003. The Declaration reaffirms the right to freedom of opinion and expression, including the right to hold opinions without interference and to seek, receive and impart information and ideas through any media regardless of frontiers.

Mr Chairman, honourable members of the Parliament, thank you for your time. Now happy to take any questions.