



**COUNCIL OF
THE EUROPEAN UNION**



14865/07 (Presse 259)

PRESS RELEASE

2832nd Council meeting

Competitiveness (Internal Market, Industry and Research)

Brussels, 22-23 November 2007

President **Mr Manuel PINHO**
Minister for Economy and Innovation,
Mr Mariano GAGO
Minister for Science, Technology and Higher Education,
Mr João Tiago SILVEIRA
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Main results of the Council

*The Council adopted conclusions on **competitiveness** (under an integrated approach) and on a **simplified business environment for EU companies** in the areas of company law, accounting and auditing.*

The Council reached a political agreement on a draft Regulation establishing the **European Institute of Innovation and Technology (EIT)**.

The Council agreed on a general approach on four proposals aimed at establishing **joint technology initiatives (JTIs)** in the fields of: innovative medicines, embedded computing systems, nanoelectronic technologies and aeronautics.

The Council adopted conclusions on the **future of science and technology**, on **scientific information** and on **nanoscience**. It also approved a resolution **on modernising universities** for Europe's competitiveness.

Finally, the Council agreed on a general approach for the participation of the Community on a research programme aimed at enhancing the **quality of life of older people** through the use of new technologies.

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- 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.

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PARTICIPANTS

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

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Flemish Minister for Economic Affairs, Enterprise,
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Minister for Research, New Technologies and External
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Ms Daniel Vassilev VALTCHEV

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Deputy Minister for the Economy and Energy

Ms Nina RADEVA

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Mr Milan HOVORKA

Mr Jan KOCOUREK

Deputy Minister for Industry and Trade
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Minister for Competitiveness and Communications

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Minister for Economic Affairs

Austria:

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Federal Minister for Economic Affairs and Labour

Mr Johannes HAHN

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Deputy Prime Minister, Minister for Economy

Mr Olaf GAJL

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Minister for Science, Technology and Higher Education

Mr Manuel PINHO

Minister for Economic Affairs and Innovation

Mr António CASTRO GUERRA

State Secretary for Industry and Innovation, attached to the Minister for Economic Affairs and Innovation

Mr João Tiago SILVEIRA

State Secretary for Justice

Mr Bernardo TRINDADE

State Secretary for Tourism

Romania:

Mr Anton ANTON

State Secretary for Research, President of the National Authority for Scientific Research, Ministry of Education and Research

Slovenia:

Ms Mojca KUCLER DOLINAR

Minister for Higher Education, Science and Technology

Mr Gregor VIRANT

Minister for Public Administration

Mr Andrej VIZJAK

Minister for the Economy

Slovakia:

Mr Jozef HABÁNIK

State Secretary at the Ministry of Education

Finland:

Mr Mauri PEKKARINEN

Minister for Trade and Industry

Sweden:

Ms Ewa BJÖRLING

Minister for Trade

Mr Peter HONETH

State Secretary to the Minister for Higher Education and Research

Mr Jöran HÄGGLUND

State Secretary to the Minister for Enterprise and Energy

United Kingdom:

Mr Ian PEARSON

Minister of State, Department for Innovation, Universities and Skills

Mr Stephen TIMMS

Minister of State, Department for Business, Enterprise and Regulatory Reform

Commission:

Mr Günter VERHEUGEN

Vice-President

Mr Charlie MCCREEVY

Member

Mr Janez POTOČNIK

Member

Ms Meglena KUNEVA

Member

Ms Viviane REDING

Member

ITEMS DEBATED**COMPETITIVENESS / INTEGRATED APPROACH – Council conclusions**

The Council adopted the following conclusions:

"THE COUNCIL OF THE EUROPEAN UNION

RECALLING

1. The 2007 Spring European Council, which called on Member States and EU institutions to create better framework conditions for innovation, enhance the better regulation agenda to create a more dynamic business environment, develop a sustainable integrated European climate and energy policy and invited the Commission to submit an ambitious and comprehensive review of the Single Market, with particular attention to stimulating the potential of SMEs, including in the cultural and creative sectors;
2. The Conclusions of the November 2006 Council linking external policies to the EU's broader competitiveness agenda, as presented in the Lisbon strategy for growth and jobs;

HAVING REGARD TO

3. The contribution of the Commission to the October Meeting of Heads of State and Government –The European Interest: Succeeding in the age of globalisation;
4. The communication from the Commission on the Mid-Term review of Industrial Policy - a contribution to the EU's growth and jobs strategy;
5. The communication from the Commission on E-skills for the 21st Century, fostering Competitiveness, Growth and Jobs (E-skills strategy);
6. The communication from the Commission on Small and Medium-Sized Enterprises – Key for delivering more growth and jobs. A mid-term review of Modern SME policy;
7. The European Competitiveness Report 2007;

STRESSES THAT

8. The goal of making the EU a dynamic and competitive, knowledge-based economy remains essential to achieving a sustainable growth with more and better jobs and greater social cohesion;
9. There is a need for more integrated policies contributing to European competitiveness, in the light of globalisation, advances in science and technology and environmental and energy challenges, particularly by:

- ensuring a better functioning of the Single Market;
- strengthening the knowledge triangle: R&D, innovation and education;
- improving the framework conditions for enterprises, stimulating entrepreneurship and enhancing the conditions to unlock the full potential of SMEs to promote their growth and development;
- fighting climate change and promoting the transition to a low carbon economy through a new sustainable approach to industrial policy, as set out in the 2007 Spring European Council Conclusions;
- further enhancing the external dimension of competitiveness;

THEREFORE, IN VIEW OF THE NEW CYCLE OF THE LISBON STRATEGY, THE COUNCIL

10. WELCOMES the Commission's vision for the Growth and Jobs Strategy and CONSIDERS that the current Integrated Guidelines of the Lisbon Strategy remain broadly relevant and that the new cycle will represent the key instrument for tackling the current challenges and it should assure the necessary stability to deepen its implementation;
11. SHARES the Commission's analysis on the need to maintain the four priority areas, as agreed by the 2006 Spring European Council focusing on delivery within the existing governance structures and ACKNOWLEDGES the need to reinforce competitiveness in tackling further reforms, at the Member States and at community level, within the Lisbon Strategy for Growth and Jobs, in particular in the following policy areas:
 - Enhancing the role of Industrial Policy, focusing on favourable and stable framework conditions to improve sustainability, technology and innovation, to face the challenges of increased international competition, technological progress, energy and global climate change;
 - Putting more emphasis on SMEs, taking into account their role as drivers of growth and job creation, helping them to take full advantage of the globalisation opportunities and promoting their competitiveness and sustainable growth;
 - Endorsing the invitations set out in the Council Resolutions on "Education and training as a key driver of the Lisbon Strategy" and on "New skills for new jobs" as well as developing a life long learning strategy and focusing on the need to address e-skills as a way of contributing to the development of an knowledge-intensive products and services and a more inclusive society;
 - Promoting the role of R&D and innovation, including non-technological innovation, to encourage the development of enterprises' capacities and increase their competitiveness;

- Ensuring an efficient and effective Internal Market, addressing the existing barriers providing entrepreneurs with a solid foundation on which to adapt to globalisation and ensuring a level-playing field among enterprises across the EU to encourage, in particular SMEs, to engage more in cross-border activities;
- Accelerating the implementation of the Better Regulation Agenda, including the reduction of administrative burdens in accordance with the Conclusions of the 2007 Spring European Council;
- Developing, within our commitment to an open global trading system, the external dimension of competitiveness, pressing for increased opening up of international markets which should lead to reciprocal benefits, strong enforcement of IPR rules, strong efforts to create regulatory convergence with our trading partners, in order to create a level playing field, and transparent and effective trade defence instruments;

12. INVITES the Commission, within the partnership approach embodied in the re-launching of the Lisbon strategy, to:

- take into account the above-mentioned policy areas when presenting the new Community Lisbon Programme which should contain the most important Community level initiatives for attaining the objectives of the Lisbon Strategy for Growth and Jobs;
- work closely with the other institutions to ensure that the key proposals of the new Community Lisbon Programme are given priority in the decision-making process and during implementation;
- report on the progress achieved in the context of the annual strategic debate on the Lisbon Strategy for Growth and Jobs;

AND SETS UP FURTHER ORIENTATION ON

A: industrial policy;

B: SME policy;

C: e-skills strategy;

D: innovation priorities;

UNDERLINING the importance of having coordinated action and close monitoring in these fields;

A: CONCERNING INDUSTRIAL POLICY, THE COUNCIL OF THE EUROPEAN UNION

1. RECALLING the Commission communication of October 2005 and the previous Council conclusions on industrial policy of May 2006, the conclusions of the Spring 2007 European Council and the Commission communication of October 2006, on the external aspects of Europe's competitiveness;
2. RECALLING its previous conclusions on industrial policy of May 2007, which have emphasised the importance of a strong and dynamic *industrial base* and stressing the need to reinforce *industrial policy* in order to achieve the goals of the Lisbon Agenda;
3. WELCOMES the Commission communication on the Mid-Term review of Industrial Policy, which takes into account the conclusions of the European Council of March 2007 and the conclusions on industrial policy of May 2007 and NOTES the progress made since 2005, the continuity of the *integrated approach* and the new actions that have been drawn in response to *globalisation, advances in science and technology* and *environmental and energy challenges*;
4. AGREES that the main role of industrial policy at EU level is to set clear long-term priorities and to strengthen and deepen the right framework conditions for enterprise development and increased innovation, taking into account the needs of small and medium-sized enterprises (SMEs) and the impact on the different EU industrial sectors, making the EU an attractive place for industrial investment and job creation;
5. EMPHASISES the objective of making Europe a world leader in environmentally friendly and socially acceptable low-carbon and energy- and resource-efficient products, technologies and services, encouraging all enterprises to have the highest profile in those fields and to lead worldwide markets and WELCOMES the Commission's intention to present an action plan on a *sustainable industrial policy* early in 2008;
6. UNDERLINES the crucial importance of the external aspects of competitiveness for the EU's industrial performance in a globalised economy, where EU-based companies compete with companies subjected to different rules and therefore CALLS on the Member States and the Commission to take further action, in what concerns the European and international Regulatory Framework and international trade rules and standards to achieve a worldwide level playing field;
7. STRESSES that the link between policy actions fostering industrial competitiveness at both national and European levels is crucial and should be strengthened by integrating those actions into the Lisbon Agenda and CALLS on the Member States to report on national policy actions related to industrial competitiveness in their annual progress reports;
8. UNDERLINES the importance of human capital and skills and EMPHASISES that life-long learning programmes should be designed in such a way as to boost competitiveness, technological development, innovation, entrepreneurship and to anticipate the adjustment to structural changes;

9. NOTES that one of the main structural changes has been the shift in employment towards industry-related services in highly developed economies, due to a more cost-effective division of the value-creation chain;
10. UNDERLINES the need to continue addressing sector-specific issues:
- WELCOMING the new sectoral initiatives put forward by the Commission on food processing and electrical engineering;
 - NOTING with interest the stepping up of the ongoing work on space industry, defence equipment market and non-military security research and in the pharmaceutical sector, and the intention to give close attention to the specific needs of chemicals, metals and forest-based industries;
 - INVITING the Commission to continue implementing the follow-up of the initiatives on automotive and mechanical engineering sectors;
11. AGREES with the Commission's intention to build on ongoing work by means of the new horizontal initiatives proposed:
- CONFIRMING that the initiatives on the external dimension of *competitiveness and market access*, as well as on *sustainable access to natural resources and raw materials*, play a crucial role in enhancing the EU's overall industrial performance and competitiveness;
 - CONSIDERING that the initiative on *structural change* should be aimed at taking advantage of the fast growth of certain high-tech sectors, and the initiative on the *link between industry and services* at improving the quality, productivity and value provided by services to industry, in particular Knowledge-Intensive Business Services;
 - WELCOMING the Commission's intention to present initiatives on *Lead Markets, Standards and Clusters* by the end of 2007; RECALLING the importance of continuing the consultation process with the stakeholders in the drawing-up of the Lead markets initiative, as stated in the Council conclusions on innovation of December 2006;
 - STRESSING that the processes of *simplification and improvement of the regulatory environment* and *reduction of the administrative burden on enterprises*, such as the CARS 21 initiative, remains a high priority, particularly since they are of great importance to SMEs;

- POINTING out the initiative on *sustainable industrial policy* and inviting the Commission to draw up a complementary Action Plan to promote sustainable production and consumption, while fostering synergies with the proposed Strategic Energy Technology Plan for the EU and the ongoing Environmental Technologies Action Plan and taking into account the impact on the international competitiveness of the EU industries, especially of Energy Intensive Industries;
12. CONSIDERS that the main objectives of the initiative on sustainable industrial policy, in order to strengthen international competitiveness, should be:
- Speeding-up of eco-innovation and development of markets for low carbon and energy and resource efficient technologies, sustainable products and services;
 - Exploitation of the full potential of the internal market and creation of conditions for global competition;
 - Exploitation of the first mover advantage by European companies;
13. UNDERLINES in this context the importance of using the following tools in a proportionate manner, taking into account the SMEs specificities, where appropriate:
- Use of product policy, including the identification and promotion of “advanced performance” benchmarks;
 - Leveraging innovation, including technological and non-technological innovation, with efficient and effective use of Community funding programmes and Community State Aid rules on Environmental Protection and on Research, Development and Innovation;
 - Developing an internal market for renewables and energy efficient technologies, products and services and an efficient operation and completion of EU internal market for gas and electricity;
 - Promoting Global Sectoral Agreements to reduce the environmental impact of industry worldwide and to create a level playing field for industry sectors internationally;
14. INVITES the Commission to implement without delay the work programme for 2007-2009 set out in the Communication; REQUESTS the Commission to inform the Council of the progress achieved and the results of the initiatives, and to set out, when appropriate, a further programme of measures aimed at strengthening the competitiveness of industry in Europe; and REITERATES its intention to monitor the implementation of the work programme;

B: CONCERNING SME POLICY, THE COUNCIL OF THE EUROPEAN UNION

1. RECALLING the European Charter for Small Enterprises, approved on Feira European Council in 2000, the Conclusions of the March 2006 Competitiveness Council on “SME policy for growth and employment” and its previous conclusions on industrial policy of May 2007;
2. RECALLING the conclusions of the Spring 2006 European Council, which point out a set of priority actions in order to unlock the business potential of European SMEs, in particular the creation of a favourable regulatory environment based on the “Think Small First” principle, the improvement of SMEs’ access to public procurement and the promotion of entrepreneurial spirit;
3. TAKING INTO ACCOUNT the outcome of the Stuttgart Conference for Small and Craft Enterprises in April 2007, which stresses the need for clear recognition and understanding of the reality of crafts and small enterprises and the Estoril Forum on Financing Innovation in October 2007 outcome referred to as the “Estoril Declaration”, which points out the need to develop a world-class environment supporting innovative and high growth Small and Medium-sized Enterprises (SMEs) in what concerns the provision of financing schemes for businesses at all stages of their life-cycle;
4. Welcomes the Commission Communication, which presents a mid term review of the Modern SME policy, and identifies the progress made since 2005, pointing out some guidelines for future actions;
5. RECOGNIZES the important role of SMEs for growth and job creation and STRESSES the importance of putting more emphasis on SMEs and entrepreneurship in the context of the next Lisbon cycle 2008-2010;
6. EMPHASISES the need of coherence in the SME approach across the different EU policies, in order to enhance their competitiveness, stressing the important role of the SME envoy to this regard;
7. UNDERLINES the efforts made by all EU institutions and Member States in implementing the Modern SME Policy with important results already achieved, in particular in applying the “Think Small First” principle in their policy-making;
8. RECOGNIZES that further action is needed to unlock the full potential of SMEs, including single person enterprises, in particular in the context of the Action Plans on a Sustainable Industrial Policy and on a Sustainable Consumption and Production;
9. EMPHASISES the need to support technological and non-technological innovation and innovative high growth potential SMEs, particularly in areas of high value added;
10. STRESSES the need to continue the implementation of actions in the five areas identified in the Modern SME policy and CALLS ON the Member States to take initiatives in those areas, learning from best practices and developing innovative solutions;

11. CONFIRMS the key areas where additional efforts are needed, according to the outcome of the July 2007 Informal Meeting of Ministers for Competitiveness in Lisbon:

- Innovation in Financing, improving existing schemes and, where necessary, developing appropriate new ones to finance innovation;
- Better Regulation, further embedding the “*Think Small First*” principle at the heart of the EU and national policies to improve the regulatory framework;
- Internationalization and access to markets, helping SMEs to grow and face more demanding markets (both internal and third country markets), inter alia in the fields of standardisation, innovation and IPR, and in obtaining critical mass, information and skilled workforce;
- Energy Efficiency and climate change, creating the framework conditions and specific support for SMEs to adapt their strategies in view of the challenges and opportunities inherent to the low-carbon economy and the new energy and resources consumption patterns;

12. WELCOMES THE COMMISSION’S INTENTION TO:

- Prepare a comprehensive initiative with concrete proposals to further support SMEs, referred to as a “Small Business Act” for Europe in the communication, in close cooperation with small businesses and their representatives at national and regional level, while stressing the need to discuss it previously with Member States;
- Improve the integration of the “Think Small First” principle and strengthen the efforts to reduce administrative burdens on SMEs, in the context of the 25% overall reduction by 2012, and those related to applications for funding under EU programmes;
- Step up its efforts to help SMEs to take full advantage from the Single Market, in the context of concrete proposals to be presented under the Single Market review, to ensure a level-playing field for enterprises across the EU and to encourage them to engage more in cross-border activities and through the new integrated business and innovation support network;
- Take into account the diversity of the SME community (e.g. craft, social economy, micro and single-person enterprises and family-run small companies as well as those managed by underrepresented groups), and the conditions in which they operate (e.g. geographical), when designing and implementing policies or support measures;
- Continue to evaluate ERASMUS-type exchange programmes for young entrepreneurs and apprentices to encourage them to get experience in another Member State;

- Continue to develop the innovation-related initiatives promoting the participation of SMEs and taking into account the views of Member States, in particular on lead markets and clusters;

13. INVITES MEMBER STATES TO:

- Continue mainstreaming SME into their policies and implementing the five priority areas set out in the 2006 European Council conclusions;
- Promote different types of entrepreneurship and related skills, in particular in education as from the first level, where appropriate and by means of training schemes for managers in small enterprises;
- Make progress towards setting their own ambitious national targets in the reduction of administrative burdens, in accordance with the Conclusions of the 2007 Spring European Council, in particular by bringing forward specific provisions to encourage SME growth and development, such as simplified reporting requirements and exemptions;
- Improve SMEs' access to public procurement, establishing specific strategies, where appropriate, and introducing measures to raise enterprises' awareness of procurement opportunities and access to information on public tenders;
- Make better use of the Community funding (e.g. CIP, FP7 and Cohesion Policy initiatives such as JEREMIE) to promote the key priorities in the field of SME policy according to the general objectives of the Lisbon strategy and the corresponding national priorities;

14. INVITES THE MEMBER STATES AND THE COMMISSION TO:

- Commit themselves to improve the SME policy dimension in all Community actions, and National Reform Programs in the next Lisbon cycle;
- Further implement the "Think Small First" principle when conducting reviews of existing legislation or preparing new legislation and improve the use of impact assessments where appropriate, and the consultation with stakeholders;
- Speed up action to facilitate the creation of a truly European venture capital market and other mechanisms of access to finance for small enterprises, in the case where a market failure is identified and respecting the principle of subsidiarity;
- Take appropriate measures to improve SMEs' access to skills, including e-skills, and the uptake of ICT;

- Improve the legal and policy framework in order to enhance legal certainty and to create a more consistent and clear regulatory environment allowing SMEs to grow and operate cross borders as they do on their domestic market and take full advantage of the opportunities of the Single Market;
- Place high priority on the complete, coherent and timely transposition and implementation of the Services Directive, thus strengthening the opportunities for SMEs in the internal market and to provide for user-friendly points of single contact for enterprises;

C: CONCERNING E-SKILLS STRATEGY, THE COUNCIL OF THE EUROPEAN UNION

1. RECALLING its conclusions on industrial policy of May 2007, which have encouraged the Commission and the Member States to continue their activities to promote entrepreneurship and associated skills, develop a long-term e-skills strategy for improving competitiveness, employability and lifelong learning;
2. TAKING INTO ACCOUNT the recommendations of the European e-Skills Forum established in 2003 and those of the ICT Task Force launched in 2006, incorporated respectively, in the conclusions of the European e-skills conferences organized in 2004 and 2006 in Thessaloniki; as well as the Riga Ministerial Declaration on e-inclusion in 2006;
3. UNDERLINES the importance of e-skills (ICT-related skills) and the uptake of information and communication technologies (ICT) for competitiveness, growth, employment, education and lifelong training and social inclusion;
4. WELCOMES the Commission Communication, which proposes a long-term e-skills agenda, in response to the need to address e-skills as a way of contributing to the development of an economy based on knowledge-intensive products and services and a more inclusive society;
5. EMPHASISES the need to rapidly implement a long-term e-skills agenda, to improve cooperation and mobilization of all stakeholders and to adopt best strategies and practices in order to better face global competitive challenges, while recalling the central role of Member States in developing national policies and actions;
6. INVITES the Commission, Member States and stakeholders to proceed with the five action lines at the European level as presented in the Communication, with a view to complete them by 2010, while ensuring that any new proposals are consistent with existing initiatives and that Member States' responsibility for their education and training systems is respected;
7. SUPPORTS the Commission's intention to continue to:
 - provide a platform for the exchange of best practices;
 - promote a regular dialogue on e-skills and;

- develop a European e-Competence Framework;

in cooperation with Member states and stakeholders;

8. INVITES the Member States to:

- further develop their long-term e-skills strategies, taking into account the key components and action lines proposed by the Commission, where appropriate;
- include e-skills strategy in their national reform programmes, in the context of their lifelong learning and skills policies;
- take into account SMEs specificities in this field and the importance of ICT diffusion for their competitiveness;

9. ENCOURAGES the industry, social partners and education providers, including academia, to mobilise themselves, putting emphasis on social responsibility, to take initiatives contributing to the implementation of the long-term e-skills strategy;

10. WELCOMES the Commission's intention to organize a conference in 2008 to report on progress made, present the results of the actions and discuss the way forward and to release a report in 2010 to the Council and the European Parliament based on the results of an independent evaluation and the assessment of the stakeholders;

11. COMMITS to continue and enlarge the debate on these issues in order to achieve an integrated approach in which social cohesion, gender issues, such as encouraging women to choose ICT careers, e-inclusion and promotion of new ICT professions and skills can be fully discussed;

D: CONCERNING INNOVATION PRIORITIES, THE COUNCIL OF THE EUROPEAN UNION

1. RECALLING the Conclusions of the December 2006 Competitiveness Council on a broad – based innovation strategy, which underlined the central role of innovation to Europe's ability to respond effectively to the challenges and opportunities of the global economy and defined nine strategic priorities for the implementation of that strategy;

2. WELCOMES the Commission initiatives on enhancing the patent system in Europe, promoting innovative solutions in public procurement and supporting innovation in services;

3. HIGHLIGHTS the importance of supporting all forms of innovation including non-technological innovation and the necessity to better address the specific needs of young innovative enterprises with high growth potential;

4. WELCOMES THE COMMISSION'S INTENTION TO:

- Adopt as soon as possible the forthcoming initiatives on: lead markets, standardisation in support of innovation, clusters, innovation in services and on removing barriers to cross border venture capital investments in close consultation with Member States and stakeholders;
- Continue its efforts to improve, in cooperation with Member States, the access to finance and investment readiness of innovative SMEs and their participation in R&D programmes;

5. INVITES THE MEMBER STATES AND THE COMMISSION TO:

- Encourage long term public-private partnerships in R&D and innovation, notably by setting up Joint Technology Initiatives and the Knowledge and Innovation Communities of the European Institute of Technology,
- Develop a comprehensive IPR strategy in Europe;
- Discuss the progress of the broad-based innovation strategy early in 2008."

SIMPLIFIED BUSINESS ENVIRONMENT FOR COMPANIES IN THE AREAS OF COMPANY LAW, ACCOUNTING AND AUDITING – Council conclusions

The Council adopted the following conclusions:

"Europe's prosperity depends on that of its undertakings. Indeed, undertakings are an essential factor in growth and employment, and in 2005 the relaunch of the Lisbon Strategy made policy in favour of undertakings and industry one of Europe's priorities.

Under Article 157 of the Treaty establishing the European Community, the European Community has as its objective the creation of optimal conditions for competitiveness.

The European Council meeting on 8 and 9 March 2007 underlined that reducing administrative burdens was important for boosting Europe's economy, while the action programme adopted by the Commission on 24 January 2007 which, in line with the initiatives under the so-called "*Better Regulation*" drive, was aimed at the modernisation of European company law, stressed the need to generate tangible economic benefits.

Maintaining competitiveness is a constant challenge. Therefore, while the major benefits underlying the successive Directives framed in the fields of company law, accounting and auditing cannot be contested, one needs to examine whether the instruments provided for in those Directives are still suited to the ongoing process of globalisation of the economy.

On 10 July 2007, the Commission adopted a Communication to address these concerns. With that Communication, the Commission presented its views on the simplification of company law, accounting and auditing in order to provide a framework to the debate and identify the measures in the areas of company law, accounting and auditing "that are best suited not only to make European companies fit for the Internal Market but also to make them more competitive globally".

The Council agrees that Europe must remain in the forefront in all sectors where competition is becoming a great deal more intense. To become the most competitive economic area in the world and in order to improve investment conditions, Europe must create a climate favourable to the entrepreneurial spirit and facilitate the lives of both citizens and undertakings; these objectives depend, in particular, on passing laws that are justified, adequate, proportionate and of sound quality, on the reduction of costs to undertakings arising from bureaucracy-related obligations and on making procedures simpler and more transparent, taking into account the administrative structures of Member States. Moreover, the crucial importance of small and medium-sized undertakings in Europe's socio-economic fabric should be emphasized.

The constantly increasing utilisation of information technologies offers companies and also public administrations a new set of technological instruments and business reporting computer languages, that did not exist when the company law Directives were adopted. Regulation and practices in the areas of company law, accounting and auditing should therefore be adapted to this new reality in a way which makes the most of the added value and possibilities of modern information technology.

A major joint effort will be required on the part of the European Community and its Member States in order to further an investment-friendly climate and improve European competitiveness levels. The Commission has already made a clear and significant step with the publication of the above mentioned Communication. This is the right moment to take action.

In the light of this, the Council calls upon the Commission to:

- 1) Expedite consideration of responses to its Communication and, where appropriate and preferably before the end of 2008, bring forward proposals, based on impact assessments. Such proposals should be aimed at reducing unjustified administrative burdens for companies in the fields of company law, accounting and auditing, taking duly into account the principles agreed upon under the better regulation process and in line with the general objective of achieving a 25% reduction of administrative burdens arising from EU legislation by 2012, namely:
 - a) reforming, on a case-by-case basis, relevant EU instruments in these fields that impose costs on undertakings without conferring benefits for those undertakings, investors or creditors in the internal market;
 - b) ensuring that the requirements imposed on undertakings, in particular in the fields of accounting and auditing, are set at the necessary level and are proportionate to the size and nature of the undertakings.

Such proposals will be addressed by the Council as a matter of priority.

- 2) Actively promote an open exchange amongst Member States on best practices and further consider the need for integration in EU legislation in the fields of company law, accounting and auditing of the following objectives:
 - a) streamlining reporting requirements imposed on undertakings and concerning the same type of data;
 - b) reducing the number of preventive legality checks concerning the action of undertakings to that necessary;
 - c) increasing and optimising the use of electronic means:
 - i) in the relationship between undertakings and public administration and/or
 - ii) within and between undertakings,

taking also into account the possibilities offered by the available technical standards or the use of electronic signatures;
 - d) simplifying the relationship between undertakings and public administration, including the possibility of developing "one stop shop" solutions."

AGENDA FOR A SUSTAINABLE AND COMPETITIVE EUROPEAN TOURISM – Council conclusions

The Council adopted the following conclusions:

"THE COUNCIL

1. RECALLS

- the objectives of the Lisbon Strategy for Growth and Jobs;
- the Council Resolution on the Future of the European Tourism from May 2002;
- the Council Conclusions on the Sustainability of European Tourism from April 2005;
- the Council Conclusions on a Renewed Tourism Policy from July 2006;
- the Report of the Tourism Sustainability Group;

2. WELCOMES

- the Commission Communication on an “Agenda for a Sustainable and Competitive European Tourism” from October 2007;

3. TAKES NOTE of the results of:

- the European Tourism Ministers’ Conference held in Potsdam in May 2007;
- the European Tourism Fora, notably the latest held in Portugal on 25-27 October 2007;

4. STRESSES the crucial role that tourism plays in generating growth and jobs in the EU;

5. NOTES the importance of sustainability to ensure a long term competitiveness of the tourism enterprises and destinations;

6. TAKES THE VIEW that sustainable tourism constitutes a tool to help the regeneration and economic development of destinations, in particular of sensitive areas as for example islands and remote areas, contributing to an increase in the quality of life of both host and guest communities while maintaining the natural and cultural heritage of Europe;

7. CONSIDERS that the development and economic growth of countries such as China, Brazil, India and Russia is leading to an increasing tourism demand and consequently to the need for an adequate response from the European Union to embrace this opportunity in a way that also respects sustainability;
8. NOTES the importance of a new impetus in the process of making European tourism more sustainable;
9. POINTS OUT the important role of the SMEs in the tourism industry, especially in the context of the destinations, as well as in the achievement of a more sustainable European tourism;
10. STRESSES the important modifications in global priorities, in particular climate change as a fundamental issue with major implications for tourism, with the need for destinations to adapt to changes in the pattern of demand and type of tourism supply.
11. INVITES Member States to:
 - support adequate structures for the start-up, implementation and monitoring of the “Agenda for a Sustainable and Competitive European Tourism”;
 - support the implementation of pilot projects within this context, as well as the development of integrated models for the management of destinations;
 - promote the effective use of European financial instruments for the implementation of the “Agenda”;
 - participate actively in the EDEN (European Destinations of Excellence) initiative, which led to the first awards being distributed to 10 outstanding destinations at the 6th European Tourism Forum which took place in October 2007.
12. INVITES the European Commission to:
 - devote particular attention to the impact that legislation may have on the tourism sector, within the undergoing Programme of Better Regulation;
 - support the creation of a networks for the exchange of experiences and good practices and the dissemination of knowledge in the field of sustainable tourism;
 - develop a communication campaign in close cooperation with Member States aimed at improving the understanding and the visibility of sustainable tourism in Europe;

- lend continuous support to local and regional networks committed to sustainable destination management and notably to their Euro-meeting in November this year in Florence;
- further support and intensify the cooperation in the field of tourism with neighbouring countries, such as the countries of the Euro-Mediterranean Partnership or Eastern Europe countries;
- closely cooperate with international organisations that are directly or indirectly related to tourism, in order to effectively address challenges that require global action.

13. INVITES the European Tourism Industry and other stakeholders in the tourism sector to:

- actively participate in the implementation of the “Agenda”, thus achieving the objectives of the renewed Lisbon Strategy for Growth and Jobs, as well as the renewed Sustainable Development Strategy;
- contribute to the development of products and services based on sustainable patterns of production and consumption;
- promote corporate social responsibility and contribute to dialogue and cooperation between public and private stakeholders, in order to strengthen the social sustainability;
- actively participate in the dissemination of good practices within the context of sustainability;
- consider sustainability as a key factor in the management of business activities;
- make the best use of available European financial instruments for tourism-related projects within the framework of the implementation of the Agenda."

BETTER REGULATION

The Council held an exchange of views and took note of a progress report on the Better Regulation agenda (14625/07).

The report, submitted by the Presidency, reflects the most relevant developments in the three key areas of the Better Regulation process:

- *reduction of administrative burdens*, where five of the ten fast-track actions intended to reduce costs for businesses have already been adopted;
- *impact assessment*, where, during the Portuguese Presidency, 20 legislative proposals and other major Commission initiatives accompanied by impact assessments have been adopted by the Commission. The Commission's independent "Impact Assessment Board" has contributed to improving the quality of impact assessments. The report welcomes the independent evaluation of the Commission's impact assessment system; and
- *simplification*, where the report notes that, for 2007, 29 simplification initiatives have been presented by the Commission and 25 are confirmed for presentation by the end of 2007. At interinstitutional level, 13 initiatives have been adopted, whilst 37 are currently pending adoption by the co-legislators.

The report also welcomes the Commission's intention to present the second strategic review of Better Regulation in early 2008. The review will be a useful basis for discussion at the 25-26 February Competitiveness Council, as well as at the 13-14 March European Council on how Better Regulation tools are effectively applied, and whether further action is needed.

Since the presentation of the last report in May 2007 (9164/07), the principles of Better Regulation have been steadily implemented in the EU's law-making process.

The Better Regulation agenda aims at improving the quality and form of the regulatory environment in order to strengthen EU competitiveness.

INTELLECTUAL PROPERTY: EUROPEAN PATENT LITIGATION SYSTEM

The Council held an exchange of views on possible elements of a future integrated patent litigation system for patents in Europe (*15162/07 and 14492/07*).

The exchange of views took place on the basis of a progress report drawn up by the Presidency further to the Commission's communication "Enhancing the patent system in Europe" of 3 April 2007 (*8302/07*).

The Council welcomed progress achieved so far and agreed on the need to continue work towards finding solutions for a Europe-wide patent litigation system and a Community Patent.

Furthermore, ministers agreed on the need for an efficient litigation system which ensures legal certainty and which is capable of reducing costs for users, especially for SMEs. Such a system would also be an important element of a future Community Patent.

They also noted that certain issues will require further in-depth discussions within the Council preparatory bodies.

The report indicates the following general features that may form a basis for future work:

- The patent jurisdiction should be an exclusive jurisdiction dealing with validity, infringement and interrelated proceedings concerning European patents and future Community patents in order to ensure efficiency and coherence of patent litigation.
- It should be a Community jurisdiction specialised in patent litigation.
- It should be an integrated system effective in all Member States.
- It should comprise a first instance with local and regional divisions as well as one central division, a second instance and a registry.
- All divisions would form an integral part of a unified Community jurisdiction with uniform procedures.

REVISION OF THE "TIMESHARE DIRECTIVE"

The Council held an exchange of views and took note of a report on a draft Directive on the protection of consumers in respect of certain aspects of timeshare, long-term holiday products, resale and exchange (14392/07).

The report reflects the state of the work conducted within the Council under the Portuguese Presidency since the presentation of the proposal on 8 June 2007 (10686/07).

The report points out that revision of Directive 94/47/EC has become a priority given the problems faced by consumers in relation to resale and new products, such as timeshare-like products (e.g. holiday stays in movable property, like boats or caravans) or long term holiday products (e.g. discount holiday clubs) which are not covered by the present Directive.

The ministerial debate focused on the relationship of the draft Directive with the future framework Directive on consumer contractual rights, in particular on the extent of and appropriate time for harmonisation of the modalities and effects of the right of withdrawal.

The European Parliament first-reading opinion is expected in Spring 2008.

EUROPEAN INSTITUTE OF INNOVATION AND TECHNOLOGY

The Council held a public deliberation and reached a political agreement on the draft Regulation for the creation of a European Institute of Innovation and Technology (EIT).

The political agreement should allow implementation of the EIT Regulation to start as from spring 2008, after completion of the second-reading phase provided for under the Council–Parliament codecision procedure.

The agreement contains the main issues that will shape the EIT, namely:

- the two-step approach concept, according to which a limited number of initial Knowledge and Innovation Communities (KICs) would be set up in a first step, and further KICs would be developed in a second step, subject to evaluation of the EIT's activities. The EIT would perform most of its activities through the KICs, which are partnerships between the private sector, the research community and excellent teams from research communities and universities;
- long-term strategic policy guidance will be provided by the Parliament and the Council, which will have to adopt the EIT's strategic innovation agenda (SIA) for future EIT activities;
- the use of an additional EIT label on recognised diplomas awarded by universities and higher education institutes participating in the KICs;
- EUR 308,7 million have been earmarked for the functioning of the EIT for a period of six years, but the sources of the EU's budget contribution to the funding of the EIT are still subject to the approval of the Community budgetary authorities;
- for organisation and administrative management purposes, the EIT will be provided with a governance structure designed to facilitate business involvement. It will be made up of a governing board, an executive committee, a director and an audit committee.
- the location of the EIT will be decided within 12 months after the Regulation enters into force.

The political agreement follows the agreement reached by the Council on 25 June (11058/07) on the essential elements of the future institute, and the European Parliament's first-reading opinion delivered last September (13186/07).

The EIT will primarily have the objective of contributing to the development of innovation capacity in the EU, by involving higher education, research and competitiveness (the "knowledge triangle") activities at the highest standards. In so doing, the EIT will facilitate and enhance networking and cooperation and create synergies between innovation communities in Europe.

JOINT TECHNOLOGY INITIATIVES

The Council agreed on a "general approach" (substantial elements of the legal acts) on four proposals aimed at establishing joint technology initiatives (JTIs) in the following fields:

- Innovative medicines ("IMI") (9686/07)
- Embedded computing systems ("ARTEMIS") (9685/07)
- Nanoelectronic technologies ("ENIAC") (10149/07)
- Aeronautics and air transport ("CLEAN SKY") (10148/07)

The agreement on the general approach paves the way for adopting the final Decisions as soon as possible after receiving the European Parliament's opinions, in order to enable a swift start to the four JTIs in early 2008.

According to the agreement reached today, the JTIs would have the following common features:

- The JTIs should be set up under Community law as Community bodies. They should receive Community funding in order to implement the research programmes, notably by awarding funding to selected projects, following publication of calls for proposals.
- They will take the form of real public / private partnerships with a shared responsibility of industry in the management of the joint undertakings. EU Member States and the Commission will exercise appropriate supervision over the use of public funds.
- They will have a limited duration of 10 years.
- JTIs will not have the status of international organisations.
- JTIs will have legal personality and will be established on the basis of Articles 171 and 172 of the EC Treaty.
- They will implement the research programmes by combining public and private funding.
- The Community will contribute to both the research activities and the running costs.

JTIs are a major new element of the EU's 7th Research Framework Programme (FP7) for 2007–2013. They were provided for in the "Cooperation"¹ Specific Programme¹, which implements the FP7 by stimulating cooperation and reinforcing links between industry and research within a transnational framework.

JTIs provide a way of creating new partnerships between publicly and privately funded organisations involved in research, focusing on areas where research and technological development can contribute to European competitiveness and quality of life. The approach proposed by the JTIs signals a change in how Europe promotes industry-driven research, designed to establish European leadership in certain technologies that are strategic to Europe's future.

These Commission proposals arise mainly from the work of European Technology Platforms and are the result of two years of negotiations with different industry sectors.

The Council had a first round of discussions on the four proposals at the last Competitiveness Council on 28 September.

¹ OJ L 400, 30.12.2006, p.86.

RESEARCH PROGRAMME ON QUALITY OF LIFE FOR OLDER PEOPLE

In public deliberation, the Council had an exchange of views and agreed on a general approach concerning a draft decision on the participation by the Community in a research and development programme aimed at enhancing the quality of life of older people through the use of new information and communication technologies (ICT), undertaken by several EU Member States ("Ambient Assisted Living" Programme) (10959/07).

The general approach is aimed at facilitating a first-reading agreement in codecision with the Parliament early next year.

The overall objective of the AAL Joint Programme is to enhance the quality of life of older people and strengthen the industrial base in Europe through the use of ICT. In addition, it has the following specific aims:

- to foster the emergence of innovative ICT-based products, services and systems for ageing well at home, in the community, and at work, thus increasing the quality of life, autonomy, participation in social life, skills and employability of elderly people, and reducing the costs of health and social care;
- to create a critical mass of research, development and innovation at EU level in technologies and services for ageing well in the information society, including the establishment of a favourable environment for participation by SMEs;
- to improve conditions for industrial exploitation by providing a coherent European framework for developing common approaches and facilitating the localisation and adaptation of common solutions which are compatible with varying social preferences and regulatory aspects at national or regional level across Europe.

The AAL Joint Programme provides the legal and organisational framework for a large-scale European programme involving Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovenia, Spain, Sweden and the United Kingdom, and Israel, Norway and Switzerland on applied research and innovation in the area of ICT for ageing well in the information society. They have agreed to coordinate and implement jointly activities aimed at contributing to the AAL Programme.

The proposal for a programme on "Ambient Assisted Living" is the first of four initiatives based on Article 169 of the EC Treaty that are planned during the course of the FP7. Article 169 regulates the participation of the Community in research programmes jointly undertaken by several EU Member States, including participation in the structures created for the execution of those programmes.

THE FUTURE OF SCIENCE AND TECHNOLOGY IN EUROPE – Council conclusions

The Council adopted the following conclusions:

"THE COUNCIL OF THE EUROPEAN UNION,

RECALLING

- (1) Its Resolutions of 15 June 2000 on "Establishing a European Area of Research and Innovation"; of 16 November 2000 on "Making a reality of the European Area of Research and Innovation"; of 22 September 2003 on "Investing in Research for European Growth and Competitiveness"; of 4 December 2006 on "A broad-based innovation strategy: strategic priorities for action at EU level"; and the decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013);
- (2) Its conclusions¹ of 18 April 2005 on reinforcing human resources in science and technology in the European Research Area which, inter alia, "welcomed (as voluntary instruments) the Commission Recommendation of 11 March 2005 on the European Charter for Researchers and on a Code of Conduct for the Recruitment of Researchers."
- (3) The informal European Council meeting at Hampton Court on 27 October 2005 that "identified the need for a new impetus in a number of areas that are important to successfully meet the challenges of globalisation and demography", namely "research and development and universities"; and recognised that "greater business and industrial investment in R&D is required to give Europe the role it needs."
- (4) The recognition by the Aho Report (January 2006) that, amongst others, "measures are needed to increase resources for excellent science, industrial R&D and the science-industry nexus", calling for an increase in R&D resources but also for a new paradigm for the best use of those resources.
- (5) The 18-19 October 2007 Lisbon Informal European Council's emphasis on the "external dimension of the Lisbon Strategy", "needed as a full response to globalisation".

¹ Doc. 8194/05.

1. RECOGNIZES the critical role played by science and technology in the development of knowledge-based economies and the increasingly difficult competition for highly qualified scientists, engineers and post-graduate students the EU is facing at world level; and WELCOMES the initiatives by Member States in this respect to confer high priority to public investments in science and research, to stimulate higher levels of private investment in R&D and to encourage reforms and the internationalisation of higher education and public research systems.
2. WELCOMES the fact that several major S&T stakeholders in Europe have publicly expressed support and engagement to the furthering of European Research and stresses the role that National Research Agencies and Research Performing Organisations, International Research Laboratories, Universities, European Science Societies, Academies, and European Industry play to contribute to such collective action;
3. WELCOMES the launch of the Seventh Framework Programme - the main Community instrument in R&D - which retains a focus on transnational collaborative research and researchers' mobility while enabling enterprise-focused and other activities, notably the action of the newly created European Research Council to reward excellence in frontier research and reaffirms its support to the independence of the ERC as a condition for its effectiveness and further development.
4. WELCOMES the progress made in the co-decision process by the European Parliament and the Council in the examination of the Commission proposal for the setting up of the European Institute of Technology.
5. WELCOMES the Commission Green Paper "The European Research Area: New Perspectives" and the debate that it has stimulated as timely inputs for the next cycle of the Lisbon strategy (2008-2010).
6. ACKNOWLEDGES that, although substantial advances have been achieved since the Lisbon European Council of March 2000 set the objective to make Europe the most advanced knowledge-based society, faster progress has been achieved by other major regions.
7. CONSIDERS that faster progress is more than ever necessary in order to respond to:
 - the increased international competition, including for qualified human resources for R&D, and new opportunities brought by the globalisation of economic and knowledge flows;
 - the increasing complexity and scale of the economic, social and environmental challenges affecting society;

- the need of business to operate in an environment of 'open innovation' where connections with each other and with public research institutions are at the core of value creation;
 - the growing importance of the freedom of knowledge and of knowledge circulation, notably knowledge-sharing between public research and industry as well as public at large.
8. STRESSES that future progress towards the achievement of European objectives, namely the fulfilment of the Lisbon and Barcelona goals, depends critically on national science and technology policies in Member States and on the increased priority Science and technology should be granted in national reform policies and, hence, INVITES the Commission and Member States to strengthen the science and technology priority in the next cycle of the Lisbon strategy and INVITES Member States also to keep under review, through reinforcing the use of the Open Method of Coordination, their national science and technology policies and other policies and priorities impacting on these in view of taking stronger action and maximizing progress towards this common European goal.
 9. RECOGNIZES that world competition for qualified human resources for S&T is a critical strategic issue requiring the adoption of consistent and comprehensive national and EU actions on the increase of the attractiveness of S&T for the new generations as well as on the capacity of Europe's R&D public and private institutions to make Europe attractive to the best talent from the rest of the world;
 10. CONSIDERS that it is important that the Commission and Member States work at European, regional and national level in the area of S&T policies with the aim of making full use of the S&T potential across Europe.
 11. RECOGNISES the need to develop an evidence base upon which more effective policies can be based and WELCOMES the initiatives that some Member States and the Commission are taking to establish the impact of the Framework Programmes on national and European RTD systems as well as the linkage with the EU's broad-based innovation strategy, taking into account the principles of subsidiarity and European added value.
 12. CONSIDERS that specific action is now needed in certain key areas, and therefore:

A. To ensure sufficient human resources for R&D

- i) INVITES the Member States and the Commission to work together in the context of the open method of coordination to improve researchers' careers and promote balanced circulation of researchers with the rest of the world both quantitatively and qualitatively. To this effect, SUGGESTS the development of objectives for the EU as a whole for the next decade in the following areas: 1) balanced brain circulation between the EU and the US; 2) maintain a positive growth rate of new graduates and PhD in S&T and the appropriate flow to the private sector commensurate with the Lisbon and Barcelona objectives and increase the share of women among new researchers; 3) an appropriate balance of R&D personnel inflow to the EU from the rest of the world for mutual benefit;
- ii) INVITES the Commission and Member States to work together to support national, international and community actions for increasing human resources for science and technology in Europe and promoting the appropriate flow to the private sector commensurate with the Lisbon and Barcelona objectives, as well as for boosting the attraction to Europe of highly qualified scientists, namely in stimulating attractive careers and in promoting the development of European networks and centres of excellence for higher education and research of world class, able to compete for the best human resources at a global scale;
- iii) INVITES the Commission to consolidate its activities for monitoring the developments in human resources in S&T and to develop a comprehensive set of measurable indicators for the growth, attraction and retention of human resources in science and technology in Europe, in cooperation with Member States and relevant international organisations such as OECD, with a view to fulfilling an observatory function;
- iv) INVITES the Commission to provide an assessment of still existing key barriers to mobility of researchers within the EU and suggest an overall plan to remove those barriers and to work with Member States to remove those barriers, taking into account the needs of highly mobile researchers and engineers, including those in the areas of employment and social policy.

B. To reinforce competitive incentives and market conditions for business research and innovation

- i) INVITES Member States to further develop strategies and policies to combine the three pillars of the knowledge triangle (education, research, innovation).
- ii) INVITES the Commission and Member States to further increase their efforts to stimulate industry to make full use of the Community funding available for R&D and innovation.

- iii) INVITES the Member States and the Commission to enhance data and knowledge sharing, in particular the use of data and results from publicly funded research results across Europe, building upon the existing Communication on knowledge transfer and the Commission's intention to propose a voluntary European Intellectual Property Code of Practice, as requested by Council in June 2007.
- iv) INVITES the Commission together with the Member States and in collaboration with the European Investment Bank (EIB) and other potential financial partners to continue to study ways to improve conditions for R&D funding, notably building upon the experience, as part of the mid-term evaluation of FP7 from the Risk-Sharing Financing Facility (RSFF), to foster additional investment in European research and development, taking in consideration emerging developments in the size, integration, and technologies available in global capital markets.

C. To optimise the use of public resources for R&D programmes, R&D infrastructures and international cooperation

- i) INVITES Member States to encourage Research Councils and National Funding Agencies in Member States, as well as intergovernmental European Research Organisations, to expand their collaboration and to devise innovative forms of pooling together their expertise and resources on a mutual voluntary basis for joint objectives. These might include R&D infrastructures, collaboration in the creation and strengthening of pools of excellence of critical mass, the full internationalisation and/or shared approaches to research evaluation across Europe and to the encouragement of broader competition for research funding at national level. It asks the Commission to catalyse progress whenever appropriate.
- ii) INVITES Member States to encourage public and private research institutions to make full use of the emerging distributed forms of research activity (namely eScience) based upon international research networks made possible by the availability and world-class unique quality of distributed European network infrastructures like GEANT and GRID.
- iii) INVITES the Member States, with support from the Commission where appropriate, to develop and strengthen their national roadmaps and strategies on research infrastructures taking into account a long-term vision of European science and the work undertaken by the European Strategy Forum on Research Infrastructures (ESFRI) and considering, when appropriate, an efficient use of the structural funds to this objective.
- iv) INVITES the Commission and Member States to continue exchanges of information, and mutual learning where appropriate on national science and technology policies in Member States aimed at contributing to the Lisbon goals, including notably on the reforms of Universities and higher education systems as well as other public research institutions, and the level of networking across institutions.

- v) INVITES the Member States and the Commission to work more closely together in the area of international cooperation in S&T in order to increase the effectiveness of the existing activities and to increase Europe's contribution to tackling global challenges and NOTES the Commission's intention to propose a policy framework for S&T international cooperation in order to facilitate such joint and complementary actions at national and European level.

- vi) INVITES Member States and the Commission to deepen their dialogue with regard to the modernisation of European Universities.¹

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The Council CALLS on the European Council to consider the above mentioned objectives in its long term vision for the development of the EU as a world-class competitive knowledge economy and society."

¹ See Council Resolution, doc. 15007/07.

SCIENTIFIC INFORMATION IN THE DIGITAL AGE – Council conclusions

The Council adopted the following Council conclusions:

"THE COUNCIL OF THE EUROPEAN UNION

RECALLING:

- the 24 August 2006 Commission Recommendation on "the digitisation and online accessibility of cultural material and digital preservation" (OJ 2006/L 236/28) and the related Council Conclusions of 13 November 2006 (OJ 2006/C 297/01);
- the 14 February 2007 Commission Communication on "scientific information in the digital age: access, dissemination and preservation" COM(2007)56;
- the 4 April 2007 Commission Green Paper on "the European Research Area: New Perspectives" COM(2007)161;
- The OECD's Principles and Guidelines for Access to Research Data from Public Funding, agreed by all OECD Countries in 2007.

CONSIDERING that:

- access to and dissemination of scientific information – publications and data – are crucial for the development of the European Research Area, and can help accelerate innovation;
- the Internet has created unprecedented possibilities to disseminate, share and build on the outcome of research efforts;
- Information and Communication Technologies revolutionise the way scientists communicate, perform research and produce knowledge;
- in an era of high speed connectivity and high performance computing, data emerges as key for modern science;
- the systems by which scientific information is published are pivotal for its dissemination and quality control, in particular through peer review, and thus have a major impact on research funding policies and on the excellence of European research;

- universities, libraries, research performing and research funding organisations, scientific publishers and other stakeholders have in recent years made considerable investments in information technologies for online accessibility;
- effective and long-lasting digital preservation of scientific information is fundamental for the current and future development of European research;

1) WELCOMES

- the Communication COM(2007)56 on "scientific information in the digital age: access, dissemination and preservation" as a basis for further work at the European level on the accessibility and preservation of scientific information.

2) RECOGNISES

- the major contribution of universities, international research organisations, research bodies, libraries and other public organisations, as well as of scientific publishers, to the scientific dissemination process;
- that new, Internet-based dissemination models have triggered a major debate involving all concerned stakeholders on access to and dissemination of scientific information and in particular on access to peer-reviewed scientific articles;
- that over the past years scientific libraries' capacity to provide researchers with access to a wide range of publications has been affected by rising overall prices of scientific journals (including electronic distribution of publications);
- the strategic importance for Europe's scientific development of current initiatives to develop sustainable models for open access to scientific information.

3) UNDERLINES

- the need to ensure rapid and wide access to publicly funded research results;
- that Member States have a strong interest in an efficient scientific information system that maximises the socio-economic impact of public investments in research and technological development;
- the importance of scientific output resulting from publicly funded research being available on the Internet at no cost to the reader under economically viable circumstances, including delayed open access;

- the cross-border nature of many research endeavours, of their funding sources, and of their dissemination channels;
- the importance of better access to unprocessed data and repository resources for data and material that allows fresh analysis and utilisation beyond what the originator of the data had envisaged;
- that new forms of electronic communication have the potential to enable open access to data and scientific publications, and provide a unique opportunity for the open development of specific data mining, analysis and integration tools, possibly enhanced by common format standards;
- that policies and practices in the Member States on access to and preservation of scientific publications and research data are developing at different speeds;
- the importance of effective collaboration between different actors, including funding agencies, researchers, research institutions and scientific publishers, in relation to access, dissemination and preservation of scientific publications and research data;

4) TAKES NOTE

- of recent reports calling on the Commission to improve access to results stemming from the research it funds, including reports of the European Research Advisory Board and the European Research Council's Scientific Council supporting open access to Community funded research results;
- of the intention of the Commission to support further research on the scientific publication system, and to carry out a study on the economic aspects of digital preservation.

5) INVITES THE MEMBER STATES

As first steps and in line with the Annex, to

- reinforce national strategies and structures for access to and preservation and dissemination of scientific information, tackling organisational, legal, technical and financial issues;
- enhance the coordination between Member States, large research institutions and funding bodies on access, preservation and dissemination policies and practices;

- maximise access for researchers and students to scientific publications, in particular by improving public procurement practices in relation to scientific information; this could include exchanging information on these practices and increasing the transparency of the contractual terms of "big deals", and exploring the possibilities for funding bodies, research institutions and scientific publishers from different Member States to work together in order to achieve economies of scale and efficient use of public funds by demand aggregation;
- ensure the long term preservation of scientific information – including publications and data – and pay due attention to scientific information in national information_preservation strategies;

6) INVITES THE COMMISSION TO

As first steps and in line with the Annex, to

- monitor good practices in relation to open access to European scientific production, including those arising from large scale experiments by scientific communities and large research institutions, and encourage the development of new models that could improve access to European scientific research results;
- monitor the current situation of public virtual scientific libraries in the EU and other ongoing developments across Europe relating to access of students and researchers to scientific information and to its digital preservation, as well as the relevant legal framework conditions that may have an impact on access to this information;
- experiment with open access to scientific data and publications resulting from projects funded by the EU Research Framework Programmes in order to assess the appropriateness of adopting specific contractual requirements;
- encourage research into digital preservation, as well as experiments on and wide deployment of scientific data infrastructures with cross-border, cross-institution and cross-discipline added-value for open access to and preservation of scientific information;
- support and contribute to improving policy coordination and to fostering a constructive debate and exchange of information between stakeholders.

A. Invitation to the Member States to:

1. Reinforce national strategies and structures for access to and dissemination of scientific information by:	
defining clear policies for dissemination of and access to scientific information, including the associated financial planning;	2008
promoting, through these policies, access through the internet to the results of publicly financed research, at no cost to the reader, taking into consideration economically sustainable ways of doing this, including delayed open access	2008 onwards
assessing in a systematic way conditions affecting access to scientific information, including: <ul style="list-style-type: none"> - the way in which researchers exercise their copyrights on scientific articles; - the level of investments in the dissemination of scientific information as compared to total investments in research; - the use of financial mechanisms to improve access, such as refunding VAT for digital journal subscriptions to libraries; 	2008
ensuring that repositories of scientific information are sustainable and interoperable;	2010
bringing together main stakeholders in the debate on scientific information (scientists, funding bodies, libraries, scientific publishers)	2008

2. Enhance the coordination between Member States on access and dissemination policies and practices by:	
exploring the possibility for national funding bodies to define common basic principles on open access;	2008
improving transparency of the contractual terms of 'big deals' financed with public money and assessing the possibilities to achieve economies of scale by demand aggregation;	2008
working towards the interoperability of national repositories of scientific information in order to facilitate accessibility and searchability of scientific information beyond national borders;	2009
contributing to an effective overview of progress at European level, informing the Commission of results and experiences with alternative models for the dissemination of scientific information.	2008

3. Ensure the long term preservation of scientific information – including publications and data – and pay due attention to scientific information in national preservation strategies by:	
defining a structured approach to the long term preservation of scientific information and incorporating this approach in national plans for digital preservation established in line with the Commission Recommendation of 24 August 2006 and Council Conclusions of 13 November 2006 on online accessibility to cultural material and digital preservation;	Mid-2008
taking into account the specific characteristics of scientific information when setting up the legislative framework (including legal deposit) or practical set-up for digital preservation.	2009

B. Invitation to the Commission to implement the measures announced in the Communication on "scientific information in the digital age: access, dissemination and preservation", and in particular to:

1. Experiment with open access to scientific publications resulting from projects funded by the EU Research Framework Programmes by:	
defining and implementing concrete experiments with open access to scientific publications resulting from Community funded research, including with delayed open access.	2008 onwards

2. Support experiments and infrastructures with a cross-border added-value for access to and preservation of scientific information by:	
co-funding of research infrastructures, in particular by linking digital repositories at European level and co-funding research on digital preservation within FP7; supporting experiments with open access with a clear cross-border added value.	2007 onwards

3. Contribute to improved policy coordination between Member States and to a constructive debate between stakeholders by:	
bringing together, at the European level, concerned stakeholders in the debate on scientific information	2007 onwards
monitoring good practices in relation to open access to European scientific production.	2008 onwards

MODERNISING UNIVERSITIES FOR EUROPE'S COMPETITIVENESS – Council Resolution

The Council adopted the following Resolution:

"THE COUNCIL OF THE EUROPEAN UNION

RECALLING the political background to this issue as set out in the Annex to this Resolution:

REAFFIRMS:

1. The need to advance in bringing about the modernisation of Europe's universities, addressing their interlinked roles in education, research and innovation, as a key element of Europe's drive to create a knowledge-based society and economy and improve its competitiveness;
2. The importance of increasing lifelong learning opportunities, widening higher education access to non-traditional and adult learners and developing the lifelong learning dimension of universities;
3. The importance of creating greater opportunities for women to pursue careers in science;
4. The principle that motivated and talented students should be able to take advantage of mobility opportunities, irrespective of their social or economic background, and the need to increase not only the mobility of students, but also that of researchers, teachers and other university staff;
5. The need for universities to have sufficient autonomy, better governance and accountability in their structures to face new societal needs and to enable them to increase and diversify their sources of public and private funding in order to reduce the funding gap with the European Union's main competitors;
6. The importance of Quality Assurance as a powerful driver of change in higher education;
7. The role of universities, through education, research and innovation, in the transfer of knowledge to the economy and society as a main contribution to Europe's competitiveness and the need for closer cooperation between academia and the world of enterprise.

RECOGNISES:

1. the need for consistency in the work towards the European Higher Education Area on the one hand, and the European Research Area on the other;

2. that the challenges posed by globalisation require that the European Higher Education Area and the European Research Area be fully open to the world and that Europe's universities aim to become worldwide competitive players;
3. the need to accelerate reform of universities in order not only to stimulate progress across the whole higher education system but also to foster the emergence and strengthening of European higher education institutions which can demonstrate their excellence at international level;
4. the need to increase mobility of students, researchers, teachers and other university staff while at the same time recognising the importance of having a broad social composition of those benefiting from such mobility;
5. that increased lifelong learning opportunities, widening access to higher education for all, including non-traditional learners, and improving employability, are key objectives of higher education policy both at European and national level.

INVITES THE MEMBER STATES TO:

1. Promote excellence in higher education and research by developing institutions and networks able to compete internationally and to contribute to attracting to Europe the best talent, and providing these institutions with the autonomy to develop their full potential;
2. Promote the internationalisation of higher education institutions by encouraging quality assurance through independent evaluation and peer review of universities, enhancing mobility, promoting the use of joint and double degrees and facilitating recognition of qualifications and periods of study;
3. Take the necessary measures to modernise higher education institutions by granting them autonomy and greater accountability to enable them:
 - to improve their management practices
 - to develop their innovative capacity; and
 - to strengthen their capacity to modernise their curricula to meet labour market and learner needs more effectively;

and to enhance access to higher education, thereby meeting the requirements of economic and technological competitiveness and broader societal goals;

4. Promote the contribution of higher education institutions to innovation, growth and employment, as well as to social and cultural life, by encouraging them to develop and reinforce partnerships with other parties, such as the private sector, research institutions, regional and local authorities and civil society;
5. Put into place concrete incentives to encourage higher education institutions to open up to non-traditional learners and adult students and further develop their role in lifelong learning_increasing, when appropriate, the diversity of the tertiary education system;
6. Develop better learning and research environments for students and young researchers, by strengthening project-based learning and early involvement of students in research, especially in the areas of science and technology;
7. Take measures to ensure that student and researcher support systems promote the widest possible and most equitable participation in mobility schemes, such as improving access to higher education for all motivated and talented students and researchers, including those with disabilities, regardless of gender, income, social, or linguistic background, and broadening the social dimension of higher education by providing better support for students and researchers in the EU and information on study, mobility and career opportunities, with a view to ensuring the best possible training opportunities for all. One of these measures could be to contribute to the monitoring of the social dimension in higher education, so that internationally comparable data will become available on this topic;
8. Enhance the attractiveness of European higher education systems by encouraging institutions to fully use the cooperation and mobility opportunities, namely those offered by the Erasmus Mundus programme for the promotion of academic excellence at world wide level;
9. Make use of the structural funds for modernising higher education.

INVITES THE COMMISSION to support the Member States with regard to the modernisation agenda, and in particular to:

1. Identify, in consultation with the relevant higher education and research stakeholders, as well as national authorities, possible measures to address the challenges and obstacles that universities in the European Union face in realising their modernisation and in fully contributing to the goals of the Lisbon agenda;
2. Facilitate mutual learning, in the context of the Lisbon Agenda, in particular within the Education and Training 2010 work programme and the follow-up of the Green Paper on the ERA, as well as through encouraging partnerships between universities and industry/private sector;

3. Identify possible measures to address the obstacles to the mobility of students, teachers and researchers across Europe and in particular to the mutual recognition of credits and diplomas and promote the exchange of good practices in this regard;
4. Monitor and assess the impact of, in liaison with national programme structures:
 - the social background of students participating in ERASMUS,
 - the contribution of ERASMUS to the modernisation agenda
 - the contribution of ERASMUS MUNDUS to the international attractiveness of European Universitiesand report back to the Member States on this by mid-2008.

Political Background

- (1) Community action in education and training is based on Articles 149 and 150 of the Treaty.
- (2) The European Councils, of Lisbon in March 2000 and Barcelona in March 2002 respectively, agreed to set a strategic goal for the European Union to become the most competitive and dynamic knowledge-based economy in the world by 2010, to make the education and training systems of the European Union a world quality reference by 2010 and create a European Research and Innovation Area.
- (3) The Resolution of the Council and of the Representatives of the Member States, meeting within the Council, on mobilising the brainpower of Europe: enabling higher education to make its full contribution to the Lisbon strategy¹ underlines the importance of the reforms to higher education.
- (4) The European Heads of State and Government, at the Informal European Summit at Hampton Court (UK) in October 2005 and the European Council in March 2007, highlighted the importance of the knowledge triangle: education, research and innovation for the competitiveness of the European Union. They invited the Commission to identify concrete actions which would build on the Commission's Communications "The role of universities in the Europe of knowledge"² and "Mobilising the brainpower of Europe: enabling universities to make their full contribution to the Lisbon Strategy"³.
- (5) The Commission's Communication "Delivering on the Modernisation Agenda for Universities: Education, Research, Innovation" of May 2006⁴, pointed to nine areas where action would help universities to modernise. The European Council in June 2006 called for a follow-up to the Commission's Communication and encouraged Member States to promote excellence and foster modernisation, restructuring and innovation in the higher education sector in order to unlock its potential and to underpin Europe's drive for more growth and jobs.

¹ OJ C 292/1, 24.11.2005.

² COM(2003) 58 final.

³ COM(2005) 152 final.

⁴ COM(2006) 208 final.

- (6) The Commission's Green paper of April 2007 "the European Research Area: new perspectives" served as a basis for broad stakeholder consultation and institutional and public debate. It highlights the need to strengthen the role of universities and research institutions in promoting excellence.
- (7) The "Aho" Group Report on Creating an innovative Europe calls for stronger interaction between universities and other stakeholders in innovation.
- (8) The intergovernmental Bologna process of 46 participating countries has resulted in progress to make European higher education more competitive internationally and in reforming some aspects of higher education, including measures to increase mobility and make Europe's citizens more employable through the creation of the European Higher Education Area.
- (9) The Decision of the European Parliament and of the Council of 15 November 2006 establishing an action programme in the field of lifelong learning 2007-2013¹ is based on the premise that an advanced knowledge society is the key to higher growth and employment rates, and that education and training are essential priorities for the European Union in order to achieve the Lisbon goals.
- (10) The Erasmus programme within the Lifelong Learning programme pursues the dual objectives of supporting the achievement of a European Area of Higher Education and of reinforcing the contribution of higher education and advanced vocational education to the process of innovation, and supports to this end in particular large-scale mobility of university staff and students as well as multilateral projects and networks focussing on innovation, experimentation, the development of new concepts and competences and the modernisation of higher education institutions in Europe.
- (11) The Decision of the European Parliament and the Council of 18 December 2006 on the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013), with the Specific Programme "Ideas" and the European Research Council based upon it, provides important new instruments which will influence the research activities within European universities.
- (12) The Commission made a proposal in November 2006² to establish the European Institute of Technology to promote integrated innovation, research and higher education activities, and the Competitiveness Council agreed in its meeting of 25 June 2007 on a general approach with regard to the proposal.

¹ Decision No 1720/2006/EC, OJ L 327/45, 24.11.2006

² COM(2006) 604 final/2.

- (13) The Commission's proposal to renew the Erasmus Mundus programme for the period 2009–2013 aims to enhance quality in higher education and the promotion of intercultural understanding, contributing to the attractiveness of European higher education systems and academic excellence through innovative and extensive cooperation with third countries.
- (14) The Contribution of the Commission to the October Meeting of Heads of State and Government held on 18-19 October in Lisbon "The European Interest: Succeeding in the age of globalisation", in particular the section on "More R &D and innovation" emphasised the importance of higher education modernisation in the external dimension of the Lisbon Strategy.

NANOSCIENCES AND NANOTECHNOLOGIES – *Council conclusions*

THE COUNCIL OF THE EUROPEAN UNION,

NOTING the communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee entitled "Nanosciences and Nanotechnologies: An action plan for Europe 2005-2009. First Implementation Report 2005-2007",

RECOGNIZING:

- That the role of nanosciences and nanotechnologies is crucial for the improvement of Europe's competitiveness and the quality of life of its citizens, and to achieve the economic, social, and environmental goals of the renewed Lisbon Strategy;
- The need to foster synergies and cooperation between all stakeholders, including the Member States, the European Commission, academia, research centres, industry, financial bodies, NGOs and society at large;
- That progress can only be achieved with the full involvement of the private sector, and that the European Technology Platforms and the ENIAC Joint Technology Initiative are valuable tools to bring forward the R&D efforts in the field of nanosciences and nanotechnologies;
- That greater private investment is needed to support the actions of the European Union, via the Framework Programmes for Research and Development, and those undertaken by the Member States;
- The potential of integrating the different scientific and technological disciplines within a converging approach to sustain the development of nanosciences and nanotechnologies in Europe, and to provide for seamless cooperation between the actors involved in the implementation of initiatives, encouraging joint calls within the Seventh Framework Programme for Research and Development;
- The need to support the adequate development of interdisciplinary infrastructures and the training of human resources;
- That conditions must be created for the development and further growth of European centres of excellence in nanosciences and nanotechnologies, so that these can attract and retain the best researchers in the world;
- That a safe and responsible development of nanotechnologies is essential, and noting in this context the review of current regulation undertaken by the European Commission and the open consultation it launched among the public and stakeholders on a possible code of conduct;

- And that currently raising world investments in nanosciences and nanotechnologies, particularly by the Union's major competitors, the USA and Asia, requires increased investment and political attention in Europe.

UNDERLINES that a more rapid and successful development of the nanoscience and nanotechnology sector is of vital strategic importance for European competitiveness, and requires stronger coordination of the energetic efforts already undertaken by a large number of public and private actors at European, national and regional level;

RECOGNIZES the need to support the adequate development of interdisciplinary infrastructures and the training of human resources, in order to create adequate conditions for the development of European centres of excellence in nanosciences and nanotechnologies, so that these can attract and retain world-class researchers;

STRESSES that not only the public and private efforts in research, technological development and innovation, but also the wider framework conditions for success of the nanotechnology sector in the European internal market require constant and careful attention;

UNDERLINES that a safe, integrated and responsible development and use of nanotechnologies is essential;

RECOGNISES that, where required, new or modified testing methods should be developed for the evaluation of potential risks of nano-projects to the environment or human health;

NOTES in this context the review of current regulation undertaken by the European Commission and the open consultation it launched among the public and stakeholders on a possible code of conduct;

INVITES Member States to provide input to the Commission in view of its regular reporting and to consider comprehensive and integrated approaches to creating the best competitive environment to advanced training and research, by stimulating national and international networks of competence in the fields of the nanosciences and nanotechnologies, involving industry and academia where appropriate.

INVITES Member States to encourage universities, research organisations and industry to cooperate in view of attracting to Europe the best talents in those fields and to boost improvement in industrial products and processes.

INVITES the Commission to:

- Continue monitoring nanotechnology development and use, and promoting the sharing of good practice in regulatory and risk governance issues, in order to keep nanotechnology research and implementation safe and responsible;

- Report regularly and, where appropriate, make recommendations to the Council and the European Parliament on the state of European competitiveness in nanoscience and nanotechnology, and the role of Europe's industry, universities and research institutions.

Such reporting shall draw on inputs from the Member States and on the review of the development of the field at world level. It should cover national policies and intergovernmental activities as well as Community programmes. It could address, among others, technological developments, research capacity, human resources and advanced training, scientific results, pre-normative R&D, socio-economic impact, regulatory measures, risk governance issues, public awareness and scientific culture actions on nanoscience and nanotechnology, and other appropriate dimensions.

ANY OTHER BUSINESS

The Council took note of information regarding the following issues:

- The review of the Single Market *(15651/07)*.
- Free movement of goods:

The Council took note of the state of play on:

- a draft Regulation laying down procedures relating to the application of certain technical rules to products lawfully marketed in another Member State;
- a draft Regulation setting out the requirements for accreditation and market surveillance relating to the marketing of products; and
- a draft Decision on a common framework for the marketing of products.
- A draft Decision on classification, labelling and packaging of substances and mixtures, and amending Directive 67/548/EEC and Regulation 1907/2006 *(13894/07)*.
- A draft Decision on the participation by the Community in a research and development programme aimed at supporting research and development performing SMEs undertaken by several Member States (EUROSTARS) *(13088/07)*.
- Product safety: outcome of the stocktaking exercise *(15424/07)*.
- Services of general interest *(15650/07)*.
- A forthcoming review of the trade defence instruments.
- A proposal for a Regulation setting up a fuel cells and hydrogen joint undertaking *(13843/07)*.
- The current state of play concerning the proposal *(12555/04)* for a Directive amending Directive 98/71/EC on the legal protection of designs, which aims at liberalising, as far as protection under design law is concerned, the market for those spare parts which are intended to restore the appearance of complex products.

- The following events :
 - Conference "The Internet of Things", dealing with radio frequency identification issues (Lisbon, 15-16 November (14681/07)).
 - Forum "Financing Innovation - From Ideas to Market" (Estoril, 8-9 October)
 - VI European Tourism Forum (Algarve, 25-27 October)
 - Conference "Towards a European Collective Redress ?" (Lisbon, 9-10 November)
 - Conference "ICT uptake for SMEs competitiveness" (Lisbon, 13 November)
 - High-level meeting on modernising universities in Europe (Lisbon, 6 November)
 - High-level conference on nanotechnologies (Braga, 20-21 November)
 - Conference on the future of science and technology in Europe (Lisbon, 8-10 October)
- The work programme of the incoming Slovenian Presidency.

OTHER ITEMS APPROVED**DEVELOPMENT COOPERATION****Togo – Consultations under the ACP-EU agreement**

The Council approved a draft letter to be co-signed by the Commission and sent to the President of Togo, with a view to revoking the measures adopted under Article 96 of the ACP-EU partnership agreement (14133/07).

The letter points out the positive development of the political situation in Togo in accordance with the terms of the Comprehensive Political Agreement of August 2006, and invites the Togolese authorities to resume an in-depth political dialogue with the EU.

Since April 2004, the Togolese Republic has been subject to the consultation procedure provided for in Article 96 of the Cotonou Agreement. Development cooperation was re-established in 2007 to support the organisation of elections, justice reform and the protection of human rights.

The EU welcomed the peaceful conduct of the parliamentary elections of 14 October in Togo, as an important step towards the consolidation of democracy.

FISHERIES**Partnership agreement with Mozambique**

The Council adopted a Regulation approving the conclusion of a Fisheries Partnership Agreement with the Republic of Mozambique (13152/07+COR1). It also adopted a Decision approving the conclusion of an agreement on the provisional application of this Agreement from 1 January 2007 (13149/07+COR 1).

The fishing opportunities set out in the Protocol to the Agreement will be allocated as follows:

- purse seine vessels: Spain 23 licences, France 20 licences and Italy 1 licence;
- long-liners: Spain 23 licences, France 11, Portugal 9 and United Kingdom 2.

The EU will provide an annual contribution of EUR 650 000 equivalent to a reference tonnage of 10 000 tonnes per year, plus EUR 250 000 per year for the support and implementation of Mozambique's fisheries policy.

The agreement will apply for five years from the date of its entry into force and may be renewed for additional periods of five years.

JUSTICE AND HOME AFFAIRS**EU/Moldova – Visa facilitation and readmission agreement**

The Council adopted decisions approving the conclusion of an Agreement between the EU and Moldova on facilitating the issuance of visas to citizens of the EU and Moldova, as well as an Agreement on readmission (13808/07, 13765/07).

The purpose of the visa agreement is to facilitate, on the basis of reciprocity, the issuance of visas for an intended stay of no more than 90 days per period of 180 days to citizens of the EU and Moldova. The fee for processing visa applications from citizens will be EUR 35. The agreements will not apply to the territory of Denmark, Ireland and the United Kingdom.

The readmission agreement establishes, on the basis of reciprocity, rapid and effective procedures for the identification and return of persons who do not, or no longer, fulfil the conditions for entry to, presence in, or residence in the territories of Moldova or one of the Member States of the EU, and to facilitate the transit of such persons in a spirit of cooperation. The agreements will not apply to the territory of Denmark.

COMMON FOREIGN AND SECURITY POLICY**Côte d'Ivoire – Renewal of restrictive measures**

The Council adopted a Common Position (14671/07) renewing restrictive measures imposed against Côte d'Ivoire in order to give effect to United Nations Security Council resolution (UNSCR) 1782(2007).

The Common Position extends until 31 October 2008 the measures imposed by Common Positions 2004/852/CFSP and 2006/30/CFSP.

The measures restrict the provision of arms and military assistance to Côte d'Ivoire and establish the framework for a visa ban and freeze of assets on persons constituting a threat to peace and national reconciliation. In addition, they prohibit imports of rough diamonds from Côte d'Ivoire into the Community.

Iraq – EU mission EUJUST LEX

The Council adopted a Joint Action amending and extending Joint Action 2005/190/CFSP on the EU Integrated Rule of Law Mission for Iraq (EUJUST LEX) (14621/07).

The Joint Action extends until 30 April 2008 the EUJUST LEX mission in Iraq and amends it in order to take into account new guidelines for command and control structure approved by the Council last June.

For additional information on EUJUST LEX check the following link:

http://www.consilium.europa.eu/uedocs/cmsUpload/factsheet-EUJUST_LEX-Oct.2007.pdf

EXTERNAL RELATIONS

Participation in the Korean Peninsula Energy Development Organisation

The Council adopted a Common Position on participation by the EU in the Korean Peninsula Energy Development Organisation (KEDO) in the framework of the EU strategy against proliferation of weapons of mass destruction (14864/07). It also adopted a Decision approving the conclusion of the renewal, by the Commission, of an Agreement between Euratom and KEDO.

The objective of the Common Position, which replaces Common Position 2006/244/CFSP, is to enable the EU to protect its interests in the orderly winding up of KEDO, to be implemented as soon as possible, but by 31 May 2012, at the latest.

On the basis of the Common Position 2006/244/CFSP (OJ L 88, 25.3.2006, p. 73), the EU has participated in the process to terminate the light water reactor project and to wind up KEDO in an orderly manner.

Through its participation in KEDO, since 1996, the EU has contributed to the objective of finding an overall solution to the issue of nuclear proliferation in the Korean peninsula.

RESEARCH

Switzerland – International Science and Technology Centre

The Council adopted a Decision, together with the Commission, on the position to be taken by the Communities within the International Science and Technology Centre (ISTC) as regards the accession of Switzerland to the ISTC.

TRANSPORT

Convention on a Code of Conduct for Liner Conferences

The Council adopted a Regulation repealing Council Regulation (EEC) No 954/79 concerning the ratification by Member States of, or their accession to, the United Nations Convention on a Code of Conduct for Liner Conferences (PE-CONS 3660/07).

Regulation (EEC) No 954/79 aims to apply the Treaty principle of freedom to provide services to the EU's sea transport industry and to ensure that competition rules are complied with. Its repeal should come into force for reasons of legal consistency at the end of the two-year transitional period set out in Council Regulation (EC) No 1419/2006, i.e. from 18 October 2008. At the end of this transition period, shipping conferences will no longer be allowed to operate in trade to/from the ports of the Community. Consequently, Member States will no longer be in a position to ratify or accede to the United Nations Convention on a Code of Conduct for Liner Conferences.

TAXATION

EU programme "Fiscalis 2013"

The Council adopted a decision establishing an action programme for 2008-2013 aimed at improving the operation of the taxation systems in the internal market (Fiscalis 2013 programme). *(3633/07 and 14716/1/07 ADD1+COR1)*

The programme is the successor of the Fiscalis 2003-07 programme.

Fiscalis 2013 is designed to contribute actively to the realisation of the EU's Lisbon strategy for growth and jobs, by continuing to develop cooperation between EU tax administrations in order to ensure that taxation systems fulfil the following objectives:

- common application of Community tax legislation;
- the protection of national and Community financial interests;
- the smooth functioning of the internal market through the combating of tax avoidance and tax evasion, including its international dimension;
- the avoidance of distortions of competition; and
- the continuing reduction of compliance burdens on administrations and taxable persons alike.

The programme will run for a period of six years in order to align its duration with the EU's multiannual financial framework.

The financial envelope for implementation of the programme will be EUR 157 million for the six-year period, in order to promote, in particular, the following activities: communication and information-exchange systems; multilateral controls; seminars and project groups; working visits and training activities.