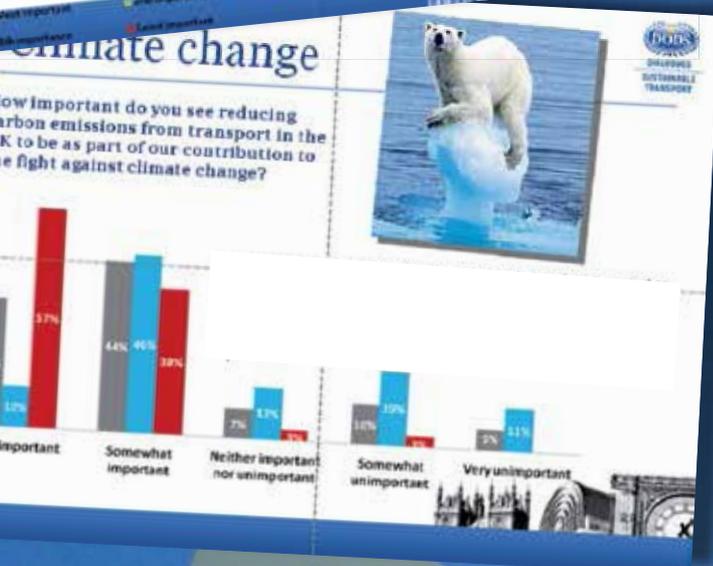


**NEW**

# Parliament Magazine Polling Quantitative Research



**ParliMag Polling** is a new service providing direct insights to the opinions of the European Parliament. It gives you the opportunity to find out what MEPs know and think about your organisation and policy interests. You can even track how successful your Public Relations campaigns are at improving the perception of your company.



**ParliMag Polls** are conducted according to the guidelines of the British Polling Council and all client information and results are treated with complete confidentiality.

Reports will take 4-6 weeks to complete from the date of field entry and dependent on the number of clients in the **ParliMag Poll**.

## Want to know more?

Contact Emille Robert: [emille.robert@dods.eu](mailto:emille.robert@dods.eu)





## Fuelling debate

**EU transport commissioner Siim Kallas outlines his proposal for a comprehensive, long-term strategy for alternative fuels**

*“The largest barrier to accelerating build-up of future transport fuels is uncertain demand from manufacturers, investors and consumers”*

### Single European sky

Jacqueline Foster, Jacek Krawczyk, Spyros Danellis, Marian-Jean Marinescu

**Plus:** Water cooperation, innovation, and coverage of The Parliament Magazine’s internet governance roundtable



### EU-Gibraltar

Fabian Picardo, Ashley Fox, Glyn Ford, Graham Watson, Axel Voss

**Inside:** Gilles Pargneaux on European health regulations, Sophocles Sophocleous on money laundering and the EU’s roadworthiness package



# The New Era in the North

*The speed of rail freight between Scandinavia and continental Europe is set to increase, not least because of massive improvements in the Danish railway system. This will be a contribution to growth and welfare, say politicians.*



*The Fehmarn Belt Fixed Link project is part of the global project Fehmarn Belt railway axis. As an extension of the Øresund crossing it is a key component in the main north-south route connecting the Nordic countries to the rest of Europe.*

**T**he story of the modern version of the European railway corridor in the North began on January 29 2009 when a broad majority of politicians in the Danish parliament agreed on a Green Transport Policy. It was a decision of historic proportions because of the economic scope, the widespread political support and because rail was now to play a decisive role in Danish transport policy. In future, rail travel should be more reliable and safe as well as ultra-modern. It will also prove to be faster.

As a result of the proposed fixed link across the Fehmarnbelt, the Danish section of the corridor will be shortened by 160 kilometres. Moreover, the entire Danish section will be enhanced with double tracks and sidings for freight trains, new ERTMS (European Rail Traffic Management System) signalling, electrification, and a new Storstrøms Bridge. Speed will be increased from 160 km/h to 200 and

250 km/h. The maximum speed for freight trains will be 140 km/h. From 2021 the capacity will be ramped up to 35,000 trains per year, most of them freight trains.

In total the rail investment is expected to be more than 2.5 billion euros.

Siim Kallas, EU Commissioner for transport, points out that Denmark has engaged actively with other Member States in the EU and the relevant infrastructure managers to create the corridor.

“With rail freight flows between Scandinavia and Continental Europe expected to improve considerably as a result of the planned fixed link across the Fehmarnbelt, the new Core Network Corridor provides a perfect cross-border coordination platform for developing infrastructure on both sides of the link. This will give the Central North-South rail freight a strong rail backbone,” says Siim Kallas. According to Siim Kallas, it will improve international freight train services and make rail more competitive. Better rail freight services will strengthen the competitiveness of the European economy and promote growth. Also, increasing rail competitiveness will play an essential part in reducing greenhouse gas emissions, one of the key objectives of the European Commission’s White Paper on Transport.

The Danish Minister of Transport, Henrik Dam Kristensen, confirms that Denmark is dedicated to producing significant results in the rail traffic sector.



*High speed trains will enable passengers to travel between Hamburg and Copenhagen within three hours.*



The 18 km long tunnel under Fehmarnbelt will be the world's longest immersed tunnel for cars and trains.



Inside the Fehmarnbelt tunnel aesthetic effects such as varied lighting will, for instance, ensure that motorists have a feeling of quality and safety during their journey through the 18 km tunnel.

"We currently chair the Executive Board for Rail Freight Corridor 3, from Stockholm to Palermo. For me the overall purpose is to reduce congestion on our roads and transfer freight volumes from road to rail. This will be beneficial to the way we use our infrastructure and also to the environment. There is clear potential in integrating the European markets for rail transport, which is especially noticeable on the longer distances in Europe. I appreciate the cooperation we have with colleagues in fellow EU Member States," says Henrik Dam Kristensen.

The Minister of Economic Affairs, Transport and Technology of Land Schleswig-Holstein, Reinhard Meyer, maintains that efficient road and railway infrastructure is an important precondition for regional and interregional development.

"The fixed link between Fehmarn and Lolland will not only enhance cross-border mobility but also contribute to sustainable development by shortening transport distance and thereby reducing emissions. We need upgrading of the railway corridor – by electrification and double track – if we want to shift freight transport from road to rail. In 2021, we start a new era of European development in northern Europe," says Reinhard Meyer.

The Swedish Minister for Infrastructure, Catharina Elmsäter-Svärd expects the corridor to be a gateway for growth.

"An effective infrastructure which links countries, business and people to each other is the foundation for greater welfare all over Europe. The Fehmarnbelt Fixed Link is essential for this important transport corridor between Sweden, the continent and the Inner Market; and provides for more energy efficient transport of goods. Distances and time will be shortened with the new link between Germany and the Nordic countries – it will increase Europe and Scandinavia's competitiveness," says Catharina Elmsäter-Svärd.

Installation of the ERTMS signalling system is essential for the efficiency of the rail corridors. The Rail Freight Corridor B is expected to be completed and equipped with ERTMS in 2020 but, as Siim Kallas adds:

"It's important to note that the development of this rail freight corridor will not end when it's established – rather it will be a starting point for further developing the corridor in terms of service quality and technical standards to meet future market needs. This will be a permanent function of the corridor organisation."



## NEWSANALYSIS

### 7 Water challenge

Cooperation is essential for ensuring access to water across the EU and globally, Kayleigh Lewis reports

### 9 Let it bee

The EU needs a complex approach to tackle the wide variety of bee mortality causes, argues Ettore Capri

### 12 Industry pressure

European health regulations are often affected by pressure from industry, making European citizens the victims, writes Gilles Pargneau

### 13 An internet for all

A Parliament Magazine roundtable debate has heard that attempts to change rules on internet governance could lead to a 'digital cold war'. Desmond Hinton-Beales was there

**19 Meeting the standard** Sophocles Sophocleous says Cyprus is in full accordance with international standards on combating money laundering

### 20 Research purposes

Global companies are increasingly taking advantage of Europe's innovation landscape, a parliament roundtable has heard. Brian Johnson reports

### 22 Common standards

The EU's roadworthiness package will provide road users with common standards and a clear legal framework for liability, writes Olga Sehnalová

### 24 Road safety

Vilja Savisaar-Toomast explains why the new EU-wide vehicle registration directive can contribute to road safety

### 26 News and Tweets

## COVERSTORY

### 29 Fuels for the future

Uncertain demand from manufacturers, investors and consumers is the biggest barrier facing the build-up of future transport fuels, writes Siim Kallas

### 32 Working together

Europe needs a responsible climate policy that doesn't damage the automobile industry,

argues Thomas Ulmer

### 35 Target practices

Before the EU can realise its CO2 reduction targets, it must consider the kind of technologies that will be used to achieve them, writes Mario Pirillo

### 37 Direct benefits

It is time the car industry focused on producing smaller, more efficient cars, argues Rebecca Harms

### 40 Paying the price

Holger Kraemer explains how the financial burden of reducing CO2 emissions from vehicles will be passed on to the EU's businesses and consumers

### 41 The alternative route

The interests of the EU's automotive industry, citizens and the environment need to be considered when reducing CO2 emissions from vehicles, writes Eider Gardiazábal Rubial

### 43 Fuel's errand?

The EU's fuel quality directive is an essential tool in Europe's fight against climate change, writes Jos Delbeke

### 45 A viable alternative?

The availability of alternative fuels will shape Europe's mobility in the future, writes Matthias Ruete

### 47 A balanced approach

MEPs need to address the environmental, economic and social impacts of indirect land use change, argues Kriton Arsenis

### 48 Fuel for thought

The fuel quality directive has raised many issues and is the source of much debate in the industry. Kayleigh Lewis reports

## POLICYFOCUS

### 51 Clear skies ahead?

Without a safe, efficient and modern airspace management programme, the EU risks falling behind its international competitors, argues Jacqueline Foster

### 55 Sky's the limit

Europe must manage its airspace access more efficiently if it wants to fully unlock the potential of the single European sky, warns Jacek Krawczyk

### 60 A state of uncertainty?

The EU will have to overcome conflicting interests if it is to unify Europe's airspace, writes Spyros Danellis

### 62 Flying solo

Commission proposals should focus on building the single European sky directly and forget about functional airspace blocks, argues Marian-Jean Marinescu

## SPECIALREPORT

### 64 Playing by the rules

With Gibraltar in its 40th year of European Union membership, Fabian Picardo looks at the British overseas territory's relationship with Brussels

### 67 Take a chance

Online gambling is an important part of Gibraltar's economy and its regulatory framework should be emulated across the EU, writes Ashley Fox

### 68 Harbours tension

Tensions with Spain over air transport could affect Gibraltar's economy, warns Glyn Ford

### 71 Equal treatment

The citizens and waters of Gibraltar deserve to be treated like those in any other part of the EU, says Graham Watson

### 72 Border line

Freedom of movement is a fundamental right of EU citizens, and any limitations on this should be proportionate and justified, writes Axel Voss



## EDITORIAL TEAM

## Managing editor

Brian Johnson  
Tel +32 (0)2 741 8221

## Deputy editor

Desmond Hinton-Beales  
+32 (0)2 741 8220

## Journalists

Martin Banks  
+32 (0)2 741 8219  
Ruth Marsden  
+32 (0)2 741 8222  
Kayleigh Lewis  
+32 (0)2 741 8228

## Commissioning editor

Rajnish Singh  
+32 (0)2 741 8225  
7th Floor, Rue du Trône 60,  
Brussels 1050  
Tel +32 (0)2 741 8221  
Newsdesk@dods.eu  
www.theparliament.com

## EDITORIAL BOARD

Romana Jordan Cizelj  
Eija-Riitta Korhola  
Jan Olbrycht  
Alojz Peterle  
Struan Stevenson  
Inese Vaidera

## PRODUCTION

John Levers  
Tel +44 (0)20 7593 5705  
Matt Tittley, Max Dubiel,

## ADVERTISING AND SPONSORSHIP SALES

Sales director  
Grant Hewston  
Tel +44 (0)20 7593 5547

Sales manager  
Sandra Fernandez  
Tel +44 (0)20 7593 5545  
Monica Barbosa  
Tel +44 (0)20 7593 5544

Billy Davis  
Tel +44 (0)20 7593 5546  
Cristina Sanchez  
Tel +44 207 593 5573

Andrew Waddell  
Tel 02075935548

Kate Waddell  
Tel+32 (0)2 741 8202

Andrea Per  
Tel +32 (0) 2 741 8227

Larisa Pirca-labelu  
Tel +32 (0)2 741 8213

## Subscriptions

Tel +44 (0)208 955 7007  
Dodssubs@alliance-media.co.uk  
www.theparliament.com

Annual subscription price: €120

## PUBLISHER &amp; MANAGING DIRECTOR

Martin Beck  
Dods Parliamentary  
Communications

## PARTNERSHIP

Emilie Robert  
Tel +44 (0)20 7593 5558

Printed in the UK by The Magazine  
Printing Company using only  
paper from FSC/PEFC suppliers -  
www.magprint.co.uk

Dods Parliamentary Communications is  
widely respected for producing authoritative  
and independent political publications.  
Its policy is to accept advertisements  
representing many sides of a debate  
from a variety of organisations. Dods  
Parliamentary Communications takes no  
political stance on the messages contained  
within advertisements but requires that  
all content is in strict accordance with the  
law. Dods Parliamentary Communications  
reserves the right to refuse advertisements  
for good reason (for example if it is  
libellous, defamatory, pornographic, socially  
unacceptable, insensitive or otherwise  
contrary to editorial policy.)

# Driving delivery

When it comes to jobs and growth, the importance of transport cannot be underestimated. Any country that ignores the need to invest in its transport infrastructure is failing not only its businesses, but its people as well. Yet we have seen in recent years some member states reneging on promises made across the whole remit of transport infrastructure provision, prompting the belief among parliamentarians that the council has no interest whatsoever in a truly pan-European transport policy.

While the council seems happy enough to abdicate its responsibilities, MEPs cannot, and so the onus on delivering effective transport for Europe rests with the parliament.

In aviation, the delivery of the single European sky is essential for sustainable aircraft management. To achieve a viable European railway network that can cross national borders without hindrance, we need the harmonisation and mutual recognition of technical specifications on our railways. On maritime policy, a coordinated approach with strict adherence to international maritime organisation and EU legislation will prevent an increase in substandard shipping and worsening social conditions. And all member states must work to reduce the death and destruction that remains too common on EU roads.

During this legislature, I am sure that the transport and tourism committee will be working hard to deliver on these crucial issues. If you add to this the need to make transport more environmentally sustainable, as well as strengthen consumer and passenger rights, we have a very busy 15 months ahead.

Transport is the lifeblood of any economy, getting goods and food to the shops, and people to and from work. Transport is an integral part of our lives but this remains unacknowledged in political terms – in my own country, the UK, the secretary of state for transport is often a middle ranking minister who is either climbing up the political “greasy pole” or sliding down it. And in my time as an MEP I have witnessed no fewer than 16 UK secretaries of state for transport.

If we are to deliver economic growth and ensure people can eat, get to work and enjoy leisure time, we need to deliver a sustainable, safe and efficient transport network. But, crucially, we also need to recognise that transport is politically important. ★

*Brian Simpson*  
Brian Simpson is chair of parliament's transport and tourism committee

## ON THE COVER | Fuelling debate

Transport commissioner Siim Kallas heads up our cover feature on transport and fuel, writing that transport is the “largest oil consumer of all economic sectors in the EU”. He adds that oil is going to become “more expensive” to import and “harder to obtain from unstable parts of the world”. Therefore, he argues that it makes sense “to develop and promote innovative and cleaner alternatives”. Rebecca Harms, a shadow rapporteur on reducing CO2 emissions from new passenger cars, warns that “the efficiency of a vehicle will be more and more important for consumers when buying a new car”. She also highlights that we should be looking “beyond 2020” when setting emissions targets and instead look ahead to 2025. And environment, public health and food safety committee member Kriton Arsenis urges the EU to make a clear distinction between “good” and “bad” biofuels. **Fuels for the future, see pages 29-30**



# Protecting Water: A Shared Responsibility

## 20<sup>th</sup> Anniversary World Water Day 2013

The European Federation of Bottled Waters salutes World Water Day and shares best practices on water resource management

European bottlers of natural mineral and spring waters have a long history and experience of protecting water sources. Since the beginning of the industry, over one hundred years ago, bottlers have managed water resources sustainably. This means monitoring natural springs, abstracting water efficiently and striving to reduce water consumption during production processes.

To ensure sustainable water management, in 2011, for the first time ever, the European bottled water industry developed a harmonised methodology to calculate its water use ratio. This important milestone was carried out under the guidance of EFBW experts and allowed natural mineral and spring water producers to measure their water use. The findings showed a continuous and significant improvement in water usage over a five year period. The second evaluation recently carried out in March 2013 shows a 10% gain in water efficiency overall. The industry is committed to measuring its water use and will regularly benchmark its performance in the years to come.

Ensuring the quality and quantity of natural waters for future generations is a top priority for the bottled water industry.



### Do you know what the bottled water industry does to manage its water resources?

- ✓ **Protect the source**  
Europe has some of the oldest and largest protection zones around its sources, some of which cover up to several thousands of hectares. The bottled water industry works in close collaboration with local communities, regional authorities and farmers to safeguard the natural purity of natural mineral and spring waters. Protection measures ensure that underground sources are free from pollution and contribute to conserving natural ecosystems and biodiversity.
- ✓ **Manage and monitor the spring**  
Naturally sourced waters are a renewable resource, replenished naturally by the hydrologic cycle. Natural mineral and spring water producers monitor the springs carefully to ensure sustainable rates of extraction, according to natural flow rates. Indeed, bottlers of naturally sourced waters do not deplete resources.
- ✓ **Minimise water use**  
On average it takes typically less than 1.7 litres of water to produce 1 litre of finished product. To minimise water use, bottlers integrate a variety of water saving techniques in their operations to reduce and re-use water during the bottling process.
- ✓ **Cooperate to protect water**  
Many European water bottlers are also participating in local and international projects to promote water conservation. The range of actions includes wetland restoration, community education and awareness building, as well as access to drinking water and sanitation.

Water is our most precious resource. Yet it is under increasing pressure globally. Today's challenges mean that the protection and responsible use of water by all actors is imperative. EFBW and its members are fully committed to sustainable water stewardship and continuous improvements in that field.

### About EFBW:

EFBW is the voice of the European bottled water industry. A non-profit trade association with a membership that includes national associations, companies and suppliers, EFBW represents more than 650 producers of bottled water across Europe. The Federation works to ensure that naturally sourced waters continue to offer a high quality, pure and convenient way to hydrate, and represents a sustainable and responsible choice for Europeans. The association represents more than 158,000 direct employees throughout the production chain.

### Contact Us:

EFBW  
32 rue de l'Association  
1000 Brussels  
Belgium  
Tel: + 32 2 210 2032  
Email: info@efbw.org  
www.efbw.org



# Water challenge

Cooperation is essential for ensuring access to water across the EU and globally, **Kayleigh Lewis** reports

**W**ater is an unusual commodity. It transcends borders, is shared globally and shapes our very existence. Despite 70 per cent of the globe being covered by water, not all enjoy access to it and water-issues are often found high-up on political agendas all across the world. As such, the UN has declared 2013 as the international year of water cooperation.

Gabriella Zanzanini, director of European affairs at Food and Water Europe explained that “water cooperation can mean many things, whether we are talking about solidarity and participation, creation of networks at the movement level and the fight for certain rights to be recognised and implemented or technical cooperation to improve water management. At the more technical level, water cooperation involves transfer of expertise, financing public-public partnerships and raising awareness among civil society and water users.”

According to Greens deputy Raül Romeva i Rueda, “Water cooperation can take many forms, including cooperation across boundaries to manage shared underground aquifers and river basins; information and data exchange; and financial and technical cooperation.” He said that the implications of a lack of water can be wide and varied, ranging from conflict over access to drinking water, to waterborne diseases, pollution and more. Many of these problems can affect not only citizens, he says, but also “the ecosystem, affecting the fish population, the land, the biodiversity and the climate”.

Water cooperation in Europe, he says, is also a challenge in some regions, and it deserves more attention. The decrease in the budget of the multiannual financial framework (MFF) is, “reducing the capacity the EU will have to protect citizens and ensure their access to quality water” and “question the role of the EU as a global actor for peace and justice”.

Both Zanzanini and Romeva i Rueda drew attention to the privatisation of water utilities in Greece and Portugal as insisted on by the commission, as part of the Troika, following their economic difficulties. “In Europe, the problem we are facing is a hidden process of water providers and services privatisation, which will lead us to problems in sanitation and public access,” said Romeva i Rueda.

However, Richard Seeber, chair of parliament’s water intergroup, was more positive about European action on water issues, and said that water is “very high on the agenda”. He said, “The union is incessantly working to improve the water situation in the member states. Cooperation between member states is a particularly important area, water stress in the context of climate change, population growth or urbanisation cannot be solved singularly. How we deal with water in one country affects neighbouring countries, therefore cooperation in the field of water is a precondition in European water policy. This can... be observed in the water framework directive.”

The EPP official said that the directive, “considered to be a milestone for water policy, obliges member states to collaborate across borders in order to improve water quality and availability, and collect more comprehensive data”. He said that this approach →

had “proven to be successful” and that policymakers “should continue to integrate international frameworks such as millennium development goals (MDGs) into our legislation in order to achieve this goal that matters to all of us: to make clean water available to [all] mankind.”

Sandrine Bélier, a member of parliament’s environment, public health and food safety committee told this magazine, “We urgently need a piece of legislation acknowledging the right to water and sanitation as a human right in accordance with the definition given by the UN.” She said that European law should “require governments to guarantee and provide all

citizens with sanitation and safe drinking water in sufficient quantities”. Adding, “Water supply and management of water resources should not be subject to single market rules and water services should be excluded from liberalisation since water is a public good, not a commodity.”

Development commissioner Andris Piebalgs said, “European aid has helped to achieve the MDGs of halving the proportion of people without sustainable access to safe drinking water. It has allowed more than 32 million people to gain access to improved water supply and nine million to sanitation facilities. The EU will continue to support international cooperation and to promote innovative approaches reinforcing the link between water and other sectors such as agriculture and energy.” “Over 4000 children under five die every day from diseases associated to the lack of access to clean drinking water. This is not only a tragedy, it is simply unacceptable.” He went on, “Providing access to water and sanitation is essential in our fight to reduce poverty, because water is not only vital for drinking and hygiene purposes, it is also key to agriculture. Worldwide, 70 per cent of water is used as irrigation water to grow food, for example, and in some developing countries, this figure increases to over 85 per cent. It is clear that demand on the world’s water resources will be even higher in the future. We need to do all we can to preserve our precious water supplies before it’s too late.” ★

*“How we deal with water in one country affects neighbouring countries as well as third countries, therefore cooperation in the field of water is a precondition in European water policy”*

*Richard Seeber*

# Let it bee

The EU needs a complex approach to tackle the wide variety of bee mortality causes, argues **Ettore Capri**

**B**ees are vital for our entire ecological system, but their health is of concern and it is thus crucial to identify, prioritise and fight the possible threats to their wellbeing. The most recent report “Bee health in Europe – Facts and figures 2013”, published by Opera, a research centre of università Cattolica del Sacro Cuore (Italy), which I am coordinating, compiles the latest information available on the factors influencing bee health to set priorities and promote simple and pragmatic solutions to policymakers. The aim of the report is to shed light on the whole picture of bee health, taking into consideration the scientific and publicly available data.

Before examining the solutions for a problem, however, it is important to clearly identify its extent. Data from the UN food and agriculture organisation covering the last decade up to 2010, show that the total number of honey bee colonies remained relatively constant between 15.4 and 16.4 million. So the problem is not the decrease in number of bees, but the fact that Europe is confronted with increasing winter losses (10 per cent winter losses are considered normal by specialists), which indicates a problem with their wellbeing.

There is a wide range of “stressors” that influence bee health. The scientific consensus is that the main threat all over the world is the Varroa mite, which can be found in most apiaries in Europe. As the most recent study, included in our report on the issue, shows, the mite is not only damaging as a parasite, but is the main vector for the spreading and increased virulence of the deformed wing virus. The virus persists in bee colonies years after they are free of the Varroa mite. In addition, our report identified several other stressors: starvation, loss of suitable habitats, agricultural and beekeeping practices, foulbrood disease and Nosema.

Beyond the Varroa mite, however, no research has been able to clearly rank which of the other factors influence bee health the most. The scientific truth remains that, despite the increasing political pressure and the recent spike in research regarding the link between bee health and correctly used pesticides, no direct conclusive link has yet been established. While this stressor should be examined further, this is true for the entire range of factors: in order to develop a truly comprehensive

strategy for bee health, none of them should be excluded.

Considering the wide variety of bee mortality causes, the main recommendation of our report is to develop a complex approach including a variety of solutions.

There is an urgent need for further greening agricultural measures, habitat restoration, measures preventing nutritional deficiency and enhancing immune defences, as well as new treatments for bee pests and diseases.

We must continue to promote risk mitigation methods for a safe use of pesticides, educating farmers and enhancing the knowledge of product labels to safeguard the health of honeybees. Financial incentives are needed to alleviate the growing economic pressure, contributing to increased professionalism among beekeepers and the promotion of best practices. Finally, the scientific community has a duty to support the development of a better variety of treatments for the Varroa mite.

To this day, there is an indisputable necessity for deepening the existing research, more particularly for extensive field-based studies. Only sound scientific data will allow policymakers, farmers, industry and beekeepers to truly tackle all threats to bee health. ★

Ettore Capri is director of the Opera research centre, Italy

*“There is an urgent need for further greening agricultural measures, habitat restoration, measures preventing nutritional deficiency and enhancing immune defences, as well as new treatments for bee pests and diseases”*

# WHERE PEOPLE GET THEIR INFORMATION ABOUT NATURAL FUR AND FUR FARMING

A pan-European survey conducted by the independent market research company Ipsos shows that the information Europeans base their opinion about natural fur and fur farming on mostly comes from animal rights organizations. More than half of the Europeans are influenced by information presented by animal rights organizations. Very few list European or national authorities as their main source of information about fur.



# Industry pressure

European health regulations are often affected by pressure from industry, making European citizens the victims, writes **Gilles Pargneaux**

Gilles Pargneaux is a member of parliament's environment, health and food safety committee

**T**he resignation of former European health and consumer protection commissioner John Dalli shed light on the various industrial interests that surround the European commission and which arouse suspicions of conflicts of interest on a regular basis.

Whether it's the tobacco directive, the dangers of aspartame or bisphenol, or huge economic stakes, European health regulations are frequently slowed down by industry pressure. European citizens, taken hostage by these interests, are the first victims.

At the European parliament, MEPs are not resigned to lobbying overruling democratic decisions, particularly when it comes to health. On a regular basis, we demand a stricter implementation of transparency rules and declarations of interests from experts. Let us take an example: a current and apparently very technical affair sheds some light on the complexity of the European machinery and how this complexity can be used by private interests to hijack Europe. The case concerns orphacol,

a medicine for the treatment of two extremely rare and serious types of orphan liver disease which can be life-threatening, often very soon after birth, if not treated. This medicine is a product of academic clinical research of a hospital in Paris. A marketing authorisation was requested to make it available not only in France but all over Europe.

Despite more than 20 years of use in France, despite the unanimously positive opinion of the European medicine Agency, despite a qualification of the medicine as having a 'notable public health interest', despite the repeated expression of a favourable opinion from member states, the marketing authorisation was refused by the European commission. The commission has no scientific expertise whatsoever. It systematically follows the opinions of European agencies and expert committees of the member states. In the history of centralised marketing authorisation of medicines, it is the first time that a series of scientific opinions are not followed suit by the European commission.

This unprecedented case must lead to the question: why? What are the motives of the European commission and who stands to benefit from these protracted procedures and refusals? As I have mentioned at the European parliament during several committee meetings, everything leads to the conclusion that the aim is to favour a – US – pharmaceutical company which has belatedly requested a marketing authorisation for a similar medicine.

When an institution in charge of health and consumer protection overturns a scientific decision, it is faced with the indignation of member states concerning its tactics and does not meet the demands for transparency from the European parliament, such suspicions are legitimate. Confident in its rights, its legal and technical know-how, the European commission has shown its arbitrariness, thinking that an injustice committed to a small pharmaceutical company would go unnoticed.

More than a year before the next European elections, and while European citizens are expressing a growing defiance towards Europe, the commission takes its fair share of responsibility. On this case, the image of Europe as a whole is tarnished. The commission has to acknowledge its error and approve this medicine which is supported by everyone. Most importantly, in order not to have other cases which may raise legitimate or imaginary suspicion, more than ever we have to implement mechanisms that enable parliament to make itself heard and respected. The interest, the credibility and the legitimacy of Europe are at stake. ★

*"MEPs are not resigned to lobbying overruling democratic decisions"*



# Industry pressure

European health regulations are often affected by pressure from industry, making European citizens the victims, writes **Gilles Pargneaux**

Gilles Pargneaux is a member of parliament's environment, health and food safety committee

**T**he resignation of former European health and consumer protection commissioner John Dalli shed light on the various industrial interests that surround the European commission and which arouse suspicions of conflicts of interest on a regular basis.

Whether it's the tobacco directive, the dangers of aspartame or bisphenol, or huge economic stakes, European health regulations are frequently slowed down by industry pressure. European citizens, taken hostage by these interests, are the first victims.

At the European parliament, MEPs are not resigned to lobbying overruling democratic decisions, particularly when it comes to health. On a regular basis, we demand a stricter implementation of transparency rules and declarations of interests from experts. Let us take an example: a current and apparently very technical affair sheds some light on the complexity of the European machinery and how this complexity can be used by private interests to hijack Europe. The case

concerns orphacol, a medicine for the treatment of two extremely rare and serious types of orphan liver disease which can be life-threatening, often very soon after birth, if not treated. This medicine is a product of academic clinical research of a hospital in Paris. A marketing authorisation was requested to make it available not only in France but all

over Europe.

Despite more than 20 years of use in France, despite the unanimously positive opinion of the European medicine Agency, despite a qualification of the medicine as having a 'notable public health interest', despite the repeated expression of a favourable opinion from member states, the marketing authorisation was refused by the European commission. The commission has no scientific expertise whatsoever. It systematically follows the opinions of European agencies and expert committees of the member states. In the history of centralised marketing authorisation of medicines, it is the first time that a series of scientific opinions are not followed suit by the European commission.

This unprecedented case must lead to the question: why? What are the motives of the European commission and who stands to benefit from these protracted procedures and refusals? As I have mentioned at the European parliament during several committee meetings, everything leads to the conclusion that the aim is to favour a – US – pharmaceutical company which has belatedly requested a marketing authorisation for a similar medicine.

When an institution in charge of health and consumer protection overturns a scientific decision, it is faced with the indignation of member states concerning its tactics and does not meet the demands for transparency from the European parliament, such suspicions are legitimate. Confident in its rights, its legal and technical know-how, the European commission has shown its arbitrariness, thinking that an injustice committed to a small pharmaceutical company would go unnoticed.

More than a year before the next European elections, and while European citizens are expressing a growing defiance towards Europe, the commission takes its fair share of responsibility. On this case, the image of Europe as a whole is tarnished. The commission has to acknowledge its error and approve this medicine which is supported by everyone. Most importantly, in order not to have other cases which may raise legitimate or imaginary suspicion, more than ever we have to implement mechanisms that enable parliament to make itself heard and respected. The interest, the credibility and the legiti-

*"MEPs are not resigned to lobbying overruling democratic decisions"*



# An internet for all

A Parliament Magazine roundtable debate has heard that attempts to change rules on internet governance could lead to a ‘digital cold war’. **Desmond Hinton-Beales** was there

Internet governance is currently standing at a crossroads. The existing multi-stakeholder model that has underpinned the use of the internet since its inception has so far succeeded in maintaining the technology’s independence from direct national interference. Commission vice-president for the digital agenda Neelie Kroes, however, has warned that ongoing attempts to reorganise the governance of the internet could lead to a “digital cold war”. Kroes, in a speech read on her behalf by Dutch MEP Marietje Schaake, told a Parliament Magazine roundtable that internet rules will increasingly impact on the EU’s foreign relations.

The event – organised in association with the internet corporation for assigned names and numbers (ICANN) – heard that last year’s world conference on international telecom-

munications (WCIT) had seen growing “distrust” over the governance of the internet. “In Dubai, last year, at the WCIT conference, some countries sought to change how the internet is governed, to give themselves a greater role,” said Kroes, adding that Europe had “stood united” in its rejection of “control of the internet by governments”. The Dutch official, however, stressed that Europe’s position was not about “western cultural supremacy”, but about keeping “one internet” and preventing it from degrading into a “fragmented series of national intranets”.

The WCIT conference held a review of the international telecommunication regulations (ITRs), which form a binding, worldwide treaty aimed at assisting the interoperability of information and communication services, as well as inter-





### Digital freedoms

It may be hard to imagine for politicians, but the internet has done just fine without them for a long time. So why do we have to discuss internet governance at all? Because the global empowerment of individuals using technology is the worst nightmare for those who seek to harness control and power.

Increasingly, the open internet has become an arena where national and commercial interests are fought out. But the 'internet public' proves to be resilient. Legislative proposals like the stop online piracy act, the protect intellectual property act and the EU's anti-counterfeiting trade agreement have been shelved. Activists and internet users cleverly succeed to bypass Iran's 'Halal internet' or China's great fire wall. However, to prevent a successful re-territorialisation at the expense of the public value of the internet, and of the fundamental rights of its users, the EU too needs to step up its game of internet governance.

The added value the EU can bring is to strategise before engaging in UN and other international meetings and to ignore proposals by vested corporate interests to hamper innovation and entrepreneurship online. That way, the member states, commission and the parliament can speak with one voice. Proposals by governments seeking to control internet traffic to increase 'security', also limit human rights and business development opportunities. The music or film industries have similar strategies to protect their business models.

While EU action is important, it is not a magic cure. Countries are already using national laws to bring internet and its users under the state's grip. Beyond internet governance, the EU needs to use the full range of foreign policy instruments to defend digital freedoms. If the balance of the impact of technologies and internet use can be tilted towards the positive side, EU values and interests are met.

*Marietje Schaake is parliament's rapporteur on the digital freedom strategy in EU foreign policy*

*"There is a multi-stakeholder model, but governments take decisions that impact on the structure of the internet and go beyond the countries where the decisions are taken"*

*Marietje Schaake*

national interconnection, and guaranteeing efficiency and public access. Prior to the December 2012 WCIT conference, the ITRs were last negotiated in 1988 and it was widely accepted that they were in drastic need of revision to bring them up to date with the 21st century's vastly different global information and communications technology (ICT) environment. The conference was convened under the helm of the United Nations' international telecommunication union – a multi-stakeholder,

intergovernmental body with primary responsibility for ICT that includes academic institutions and the private sector among its members.

Schaake, who hosted the roundtable event in the European parliament, also said that it is vital to "keep an open inclusive internet alive", stressing that the EU has "a lot to do" towards achieving this aim, including "practicing what we preach". National governments and the private and public sectors currently come together to discuss internet policy through the multi-stakeholder, ITU organised, internet governance forum (IGF) established by the world summit on the information society in 2006. "There is a multi-stakeholder model," said Schaake, "but governments take decisions that impact on the structure of the internet and go beyond the countries where the decisions are taken". The ALDE deputy said that it is vital that "core democratic principles" are included in the multi-stakeholder process, adding that "the stakes have increased to

critical levels”.

President and CEO of ICANN Fadi Chehadé voiced his support for Kroes’ comments, saying the fight over governance of the internet “is getting hotter, not cooler after WCIT”. Contacting another person via the internet requires the use of unique names or numbers that allow computers to communicate with each other – ICANN is the global organisation that coordinates this system of unique identifiers. Chehadé said that he “felt terrible” about how little ICANN had done to engage governments that were yet undecided on their stance towards internet governance, adding that “many countries have no opinion and are looking for clarity”. There are several countries who are “definitely not convinced” by the multi-stakeholder model, he said, but highlighted that many of the countries who reject this form of governance “have different motivations for their positions”. “We must get beneath why countries support or don’t support the multi-stakeholder model,” he said, adding that “people are looking to the EU position” on this issue, so “Europe’s voice” is vital in the process. He also stressed that “Saudi Arabia and its allies are definitely not convinced” by the multi-stakeholder model.

“Internet governance is a powerful enabler,” said Chehadé, who insisted that nothing must be done to “restrict access to the internet” and that ICANN would be “listening at the local level” to concerns over internet governance. He then praised Kroes’ plans for the EU to “use the internet as a growth engine” and said that Europe’s “constructive” criticism would form a crucial part of the

debate on the future governance of the internet.

John Higgins, director general of DigitalEurope – an association representing the interests of both national associations and corporate organisations operating in the ICT sector – underlined the importance of a free open internet, saying, “The future is more things and more people on the internet.” He also highlighted the Egyptian protestors in Tahrir square, Cairo, under a sign saying ‘Give us back our internet’. However, while he said that the multi-stakeholder is “already pretty good”, he felt that it should feature “more structure” being used to “drive real outcomes”.

French S&D deputy Catherine Trautmann warned that the world is facing a fragmentation of “the internet as a global, tangible infrastructure”, adding that there are “reasons to be concerned”. Trautmann admitted that “winning hearts and minds” is not easy, but stressed that believers in the multi-stakeholder model must →

*“We must get beneath why countries support or don’t support the multi-stakeholder model”*

*Fadi Chehadé*

#### Raising awareness

I was delighted to have opportunity to be involved in this breakfast briefing at the European parliament on internet governance issues. For ICANN our engagement with the European Union is critical; and the views and opinions of MEPs are important in this context. The role the parliament played in raising awareness of the WCIT, the role of the council in adopting a constructive decision and then the operational role of the commission itself in Dubai demonstrated the importance of Europe in the global debate on internet governance. I am looking forward to Europe continuing this role at the forthcoming discussions at the world telecommunications policy forum in Geneva in May and during the review of the world summit on the information society up to deliberations by the UN general assembly in 2015.

It is important that all of us interested an open and interoperable internet involve ourselves in this important global debate. While it is not surprising that for many the existence and global nature of the internet is taken for granted we should not forget that there is no global consensus that this should be so. Thus our role in demonstrating how a multi-stakeholder approach to the governance of the internet contributes to innovation, growth and competition globally.

I was delighted with the organisation and substance of the breakfast debate; and would like to take this opportunity to thank my fellow panellists Catherine Trautmann and John Higgins and particularly Marietje Schaake for so ably chairing us; as well of course all the participants.

*Fadi Chehadé is president and CEO of ICANN*





*“The future is more things and more people on the internet”*

*John Higgins*

“lead by example”, including not letting the internet community “lose its soul against the massive amounts of money” pouring into the sector. She also called for an “increase in communication efforts between stakeholders”, calling for some actors to involve themselves “proactively” in the process to avoid internet governance remaining a “frozen conflict zone”.

Trautmann also underlined the key role that “political representatives” can play in countering criticism that the IGF is merely a “useless talk-shop”, as it is unable to deliver “fully fledged decisions”. “To better connect multi-stakeholder fora with more traditional decision-making bodies – be it parliament, government, or even the board of an ICT company – is for me a win-win situation. The IGF would gain legitimacy in the eyes of those who criticise its non-decisiveness; and decision makers would gain legitimacy because their decisions are informed by the multi-stakeholder dialogue,” she added.

Trautmann concluded by issuing a call for stakeholders to “safeguard the initial idea of co-ownership of the internet, not only as a tool or an infrastructure, but as an idea which must continue to be the foundation on which we can build an open, inclusive and free network”. ★



*“To better connect multi-stakeholder fora with more traditional decision-making bodies – be it parliament, government, or even the board of an ICT company – is for me a win-win situation”*

*Catherine Trautmann*

# What is ICANN?



Figuring out who handles what in the Internet ecosystem can be tricky. Some people think that ICANN is the organization that “runs the Internet,” but the fact is that ICANN plays a high-level, important but limited role in how the Internet is organized.

Here’s how it works. To reach another person on the Internet you have to give your computer a destination – usually entered as a name or number. That destination has to be unique so computers know where to find each other. ICANN coordinates these unique identifiers across the world. Without that coordination we wouldn’t have one global Internet.

Humans prefer to find desired web addresses and email addresses by name (such as “icann.org.”) But computers know each other by numbers, or Internet Protocol (IP) addresses. ICANN helps coordinate the Domain Name System (DNS), often referred to as “the phone book of the Internet” because it matches domain names with appropriate IP address numbers. ICANN also operates part of the DNS, and manages IP addresses and other protocol numbers.

No one person, organization or government controls the Internet. The ICANN community plays a critical role in managing some Internet infrastructure at a global level, and includes broad representation from governments, registries, registrars, commercial users, non-commercial users, and individual Internet users. We refer to this as the “multi-stakeholder model.”

The multistakeholder model ensures that everyone who uses the Internet has a voice in how it is governed. As shown above, there are a vast number of stakeholders, including governments, registries, registrars, Internet service providers, businesses and individual Internet users.

**There are other entities that also play important roles in the Internet ecosystem.**

- **Registries:** Each registry has a listing of each domain name registered in that registry. There are two types: generic top-level domain registries (such as .com or .info) and country code top level domain registries (such as .de for Germany or .jo for Jordan).
- **Registars:** These are companies that provide web sites where you can register a new domain name. They sell domain name registrations for the registries.
- **Regional Internet Registries:** There are five RIRs that allocate addresses (numbers) around the world to Internet Service Providers and other companies.
- **Internet Engineering Task Force:** The IETF develops and design standards for the Internet system. It is international and decentralized, and has many different working groups on various technical issues.
- **Internet Society:** ISOC operates the .org registry, and does Internet capacity development in developing countries. It supports the IETF.
- **Internet Service Providers:** ISPs are companies that provide subscribers with access to the Internet.
- **Root Server Operators:** They publish the list of all top-level domains and respond to queries of what the proper network address is for each name.

Queries

[www.icann.org](http://www.icann.org); or Nigel Hickson (VP Europe); [nigel.hickson@icann.org](mailto:nigel.hickson@icann.org)



# Tailored Political Intelligence Helping you stay ahead



**Dods EU Monitoring is Europe's leading provider of tailored political intelligence.**

**We help organisations across Europe to stay ahead of all developments at an EU level that will affect them.**

**Over 90% of respondents said Dods EU Monitoring saves them time and makes them more efficient.**

2011 Client Survey

**Over 90% of respondents would recommend Dods EU Monitoring to someone else.**

2011 Client Survey

# Meeting the standard

**Sophocles Sophocleous** says Cyprus is in full accordance with international standards on combating money laundering

**E**ver since the Republic of Cyprus applied to the European stability mechanism, a reputation has been circulated that Cyprus is a centre for Russian money laundering and tax evasion. This inaccurate allegation has been growing over the past weeks and has become a critical issue at high level political discussions.

This is why one should shed some light regarding the accusations against Cyprus concerning money laundering and thus demonstrate that such an allegation is indeed superficial and unfounded.

First of all, it should be made clear that the country applies a very comprehensive regulatory and administrative framework against money laundering, which has constantly been praised by many international institutions. The Cypriot central bank implements strict procedures regarding supervision of the banks on the island whereas reports of the financial action task force (FATF) on money laundering certify that Cyprus is indeed a country that cooperates in combating this phenomenon.

Furthermore, Cyprus established a legal framework in 1996 that was based on the FATF recommendations, the conclusions of the EU council and the existing EU commission directives on the matter. Following its evaluation by the EU, the specific legal framework was amended in 2007, 2010 and 2012 in order to incorporate the provisions of one subsequent EU directive – the ‘third directive on anti money laundering’ – and of other international instruments.

Of equal significance in the fight against money laundering was the creation of the Cypriot unit for combating money laundering (Mokas), which was established in January 1997, in accordance with article 54 of the ‘prevention and suppression of money laundering activities’ law. Mokas was evaluated by Moneyval, the experts’ committee on the evaluation of anti money laundering measures and the financing of terrorism, on

four occasions and each time the committee concluded that the Cypriot measures combating money laundering were fully in accordance with international standards.

Since the Republic of Cyprus amended its anti-money laundering procedures and regulations, it acts in accordance with current best practices. As a result, Cyprus was praised by the International Monetary Fund in 2011 for the proactive initiative to comply with international standards.

Meanwhile, the economist intelligence unit describes Cyprus’ tax regime as one of its strongest features. More importantly, following the 2009 G20 summit held in London, the organisation for economic cooperation and development included Cyprus in the updated ‘white list of jurisdiction’. In other words, the aforementioned certifies that the country had substantially implemented the international agreed standards on exchange of information. Besides, Cyprus is not included in the blacklist of Russia for laundering, due to the signing of a protocol for exchanging information between the two countries.

These arbitrary accusations have seriously damaged the image of Cyprus as a European business centre. Any further misperceptions of the depositors in Cypriot banks may result in deposits being withdrawn from Cyprus, thus creating real and serious risks to the stability of our financial system.

It is unacceptable to accuse an EU member state of being a partner of ‘mobsters’ in money laundering, with absolutely no proof, in order to serve petty interests in hidden agendas. Such tactics distort and mislead the public opinion, at the same time increasing the gap between northern and southern EU countries. ★

Sophocles Sophocleous is a vice chair of parliament’s security and defence subcommittee and is a former Cyprus justice and public order minister

*“It is unacceptable to accuse an EU member state of being a partner of ‘mobsters’ in money laundering with absolutely no proof in order to serve petty interests in hidden agendas”*

# Research purposes

Global companies are increasingly taking advantage of Europe's innovation landscape, a parliament roundtable has heard. **Brian Johnson** reports

**A**ccording to Leo Sun, head of European public affairs for global ICT giant Huawei, the decision, almost 30 years ago, to enter into the telecoms sector was both a “lucky” and “unlucky” one for the company. “We are always saying that Huawei is very lucky, as we are involved in the telecoms business which is probably the most exciting and fast moving sector in the world and one that can bring the most impact to our lives”, Sun told a gathering of MEPs during a recent event on innovation. But, Sun added jokingly, “we also say we are very unlucky to be in this industry. As our founder and CEO Ren Zhengfei once said, it was a mistake entering the telecoms sector because it is so competitive and so innovative that to maintain a leading position you have to spend every minute focusing on innovation and keeping up with constant technology changes.”

However, it was Huawei's success over the years in maintaining its innovative competitiveness that grabbed the attention of ALDE MEP Vittorio Prodi. The veteran Italian deputy, who hosted the roundtable event in the European parliament on the topic of innovation, said his main interest centred on the company's recognition of the importance of research and development in driving innovation. “That was something that impressed me; that pushed me to learn more about this company and to think about the potential of common European and Chinese efforts in driving innovation.” Prodi's interest in the ICT giant, which has since 2000 established a strong research base across Europe, was also aroused by the “consideration that they are investing into our research centres in Europe and in particular participating in FP7, the research framework programme at a European scale”.

The EU's innovative and competitive environment, its access to key markets and its world-class research establishments are just some of the key factors that have driven Huawei to invest in Europe. Prodi also sees the company's strong investment in Europe as part of a bigger political and economic picture. “My thinking when we organised this event” said Prodi, “was that it would be a good environment to discuss global challenges”. He added that he believed that bringing a global Chinese company such as Huawei to the attention of MEPs was “extremely important” in “deepening our contacts”.

Prodi's comments were backed by Sun, who, although acknowledging the company's Chinese origins, reiterated the fact that Huawei was primarily a global company. “In the past few years we have grown up fast and now we are starting to invest in Europe so we can benefit from European innovation competitiveness and capabilities”, said Sun, adding that the benefits of deeper collaboration





## ENRICHING LIFE THROUGH COMMUNICATION

HUAWEI TECHNOLOGIES

*“My thinking when we organised this event was that it would be a good environment to discuss global challenges”*

mutually beneficial. “We also want to contribute to Europe’s competitiveness on innovation.”

Improving conditions for investors in both directions has become an increasingly important aspect of the current EU-China economic relationship. The decision taken at the last EU-China summit, to launch negotiations on an EU-China investment agreement highlighted the significance of trade and investment between the two economic giants. The recent decision to establish a high level EU-China innovation cooperation dialogue also illustrated the importance of investing in research and innovation activities for both sides. The participation of Chinese companies in the EU’s new research programme Horizon 2020 is also expected to act as a catalyst in attracting much needed foreign direct investment from companies such as Huawei. According to David Soldani, vice president of the company’s research centre in Munich, Huawei is already participating in 10 key projects and has a role in four main priorities within the Horizon 2020 framework, as well

as being an active member of the European ICT technology platforms.

on research and innovation were

“Why Europe?” was the initial question posed to those MEPs attending the event during a presentation by Huawei’s Renato Lombardi. “Well for several reasons” he said, explaining that, “first of all because Europe is an important location for research and development competence. Europe has the ecosystems, the clusters of competence that we can work with, the companies, universities and research institutes”. It’s also where the most important global operators are located and where “standards and regulations are created and spread all over the world”, said Lombardi, the head of microwave research and development at Huawei’s European research centre in Milan.

Closing the event, Prodi welcomed the presentations and discussions, saying, “These are the kind of ties that are very important because this could actually help to bridge the gap between Europe and China. We are in a position where we can build up mutual trust through the ability to talk to each other. I’m pleased we have begun these discussions on innovation and proud to have had Huawei here.”★

To watch the video of the event go to [www.theparliament.com/video/](http://www.theparliament.com/video/)

# Common standards

The EU's roadworthiness package will provide road users with common standards and a clear legal framework for liability, writes **Olga Sehnalová**

**R**oad safety is a major societal issue. It is directly influenced by several different groups, from drivers, cyclists and pedestrians to transport operators and hauliers. I believe that every clear signal of our commitment to road safety brings us closer towards the goals embraced by the European parliament of halving the deaths on European roads by 2020 and the ambitious "vision zero" in 2050. First of all, it is important to acknowledge that whatever the technical measures adopted, effectiveness of road safety policy goes hand in hand with user's behaviour. As a member of parliament's transport and tourism committee I have therefore been on a long term basis advocating primarily proper education of road users from early childhood to elderly, training and systematic enforcement of the rules.

The roadworthiness package is an opportunity to create a common playing field of technical standards for road users in the European Union by upgrading current requirements on periodic roadworthiness tests, technical roadside inspections of commercial vehicles and vehicle registration.

As rapporteur on the technical roadside inspections, I am convinced that the main potential of this proposal is in the fact that, despite the rules set by the current directive focusing on unexpected additional on-the-spot roadside checks, we are today still facing huge differences between how technical roadside inspections are carried out in member states. The proportion of vehicles at the roadside inspection not compliant with roadworthiness requirements ranges from as little as 0.3 per cent in one member state to 63 per cent in another, with significant differences even between neighbouring countries.

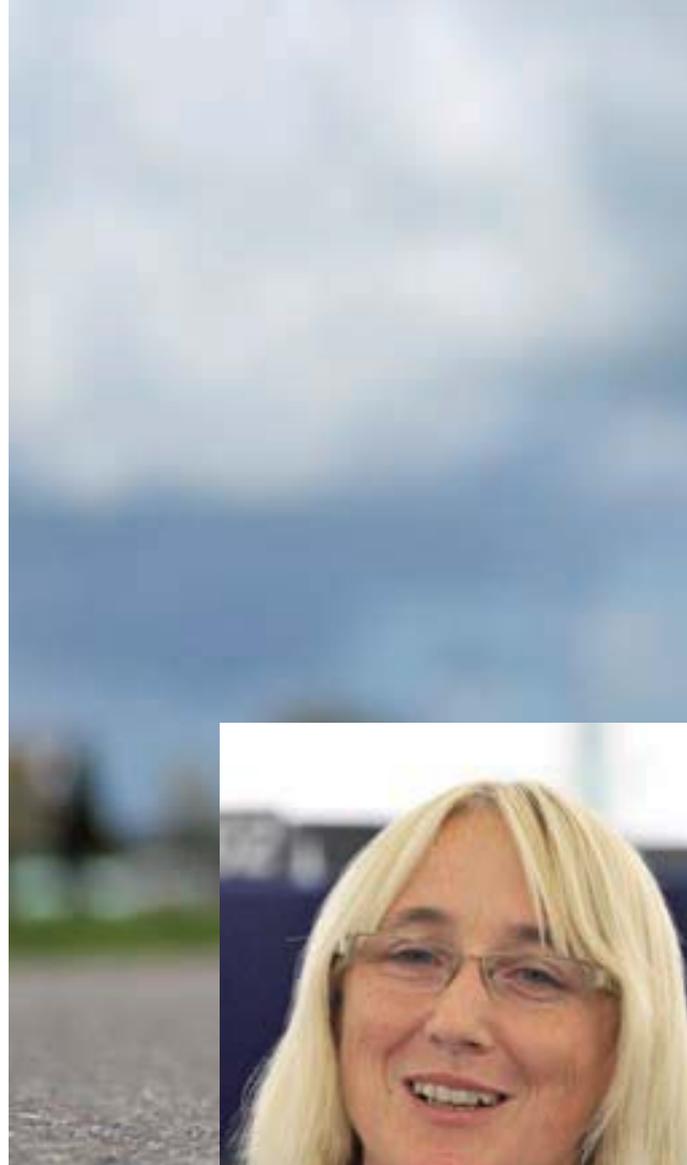
What concerns me the most is the quality of inspections.

Some member states perform an elaborated test procedure close to a parametric tolerance interval test, while others do a

visual inspection or simply control the documentation. The important differences in the failure rates at roadside checks result also from the approach chosen by the member states.

For this reason I am in favour of the commission's proposal to introduce a risk rating system for roadside inspections. Implementation of such a system cannot be done overnight, but step by step the selection of vehicles for a technical roadside inspection should be based on the risk profile of the operators in order to reduce the burden on operators that maintain their vehicles in a proper way. It will take a lot of effort for it to be developed by member states, and I am convinced that they should have an opportunity to do it their own way, but the principle of positive motivation is essential.

Skills and training of inspectors should be a central element of each technical roadside inspection in view of the rising



*“Member states should ensure that technical roadside inspections are carried out without discrimination on grounds of the nationality of the driver or of the country of registration, or entry into service of the commercial vehicle”*

states should ensure that technical roadside inspections are carried out without discrimination on grounds of the nationality of the driver or of the country of registration, or entry into service of the commercial vehicle.

During the initial discussion in the committee, the stakeholders' various positions on the scope of the proposal were presented. I am convinced that light commercial vehicles (under 3.5 tonnes) and their trailers are to be gradually included into the scope of roadside inspections. This group of vehicles does not follow the downward trend in road fatalities. Data show a tendency to use these kinds of vehicles for commercial purposes in order to circumvent the obligations that legislation imposes on companies operating heavy commercial vehicles.

complexity of testing. I am convinced that this will directly contribute to avoiding unfair treatment and increasing overall efficiency of the controls. Besides, member

Another important element of my report is the inclusion of cargo securing in technical roadside inspections, since inadequate cargo securing is considered as a factor related to up to 25 per cent of accidents involving trucks. I am convinced that minimum standards for cargo checks in the member states have to be set. In relation to cargo, responsibility should also be clarified. As many operators may participate in the manipulation and securing of cargo, their liability should be linked to the tasks performed.

Furthermore, what I am missing in the commission's proposal is a clear legal framework in relation to liability for the roadworthiness of commercial vehicles. Who should be responsible when a defect is found? I believe that undertakings operating commercial vehicles should be responsible for maintaining the roadworthiness of the vehicle.

Finally, the system could not be functioning if an important amount of data on the vehicle and its performance were not collected. This data could potentially be used by the different authorities to ensure the follow up of the detection of defects, to organise targeted checks, but also to enhance the enforcement. Efficient enforcement of the rules by the member states and cooperation of competent authorities are inevitable. ★

**Olga Sehnalová** is parliament's rapporteur on the 'Technical roadside inspection of the roadworthiness of commercial vehicles circulating in the union'

# Road safety

**Vilja Savisaar-Toomast** explains why the new EU-wide vehicle registration directive can contribute to road safety

**B**efore a vehicle is allowed to be put on the market, it has to fulfil all the relevant type or individual approval requirements guaranteeing an optimal level of safety and environmental standards. Every member state has the obligation to register, for the first time, any vehicle that received European type-approval on the basis of the 'certificate of conformity' issued by the vehicle manufacturer. This registration is the official authorisation for the use on public roads and enforces the different introduction dates of different vehicles' requirements.

During a vehicle's lifetime it may be subject to re-registration, due to a change of ownership, or a transfer to another member state for permanent use. The goal of vehicle registration is to authorise the use of a vehicle in road traffic. This authorisation is rendered visible by the attachment of the registration number plate to the vehicle and the issuing of a registration certificate.

Compared to the existing legislation, the proposal provides for more precise definitions on the place of registration of vehicles, and introduces the withdrawal and the cancellation of registration certificates.

The withdrawal ensures that vehicles which constitute an immediate risk to road safety are not allowed on the road by withdrawing their registration until another roadworthiness test has been passed successfully. To reduce administrative burden, it should not be necessary to go through the process of registration when the withdrawal is lifted again.

The original registrations of vehicles which have been re-registered in another member state are automatically cancelled. This avoids parallel registrations in different member states. Registrations of vehicles that, following a periodic roadworthiness test, would need to be scrapped and those notified as 'end of life vehicle' shall be cancelled following its notification.

As far as the cancellation of a registration is concerned, I wish to draw the parliament's attention to the fact that the legal status and the

liability for damages after the vehicle is sold, but before the time of the new registration, is not sufficiently regulated in each member state. It should be possible for the vehicle owner to cancel the registration of a vehicle himself so as to be exempted from further liability.

As a rapporteur, I support the commission proposal and suggest some amendments to be more coherent with existing legislation and to reduce administrative burden. First, the reduction in size of the registration certificate and the marking of a link to the tests of the roadworthiness test, so as to reduce the papers drivers have to carry with them all the time. I totally agree with the establishment of the electronic databases, however, I would like for all of those national databases to be connected to other member states so as to make identification of the vehicle easier.

At first sight it might seem that the registration documents of the vehicle cannot contribute very much to the road safety and environmental protection, but we need to have a possibility to check that those vehicles used in traffic comply with the rules in place. Therefore, it is necessary that the registration documents contain as much information as needed about the vehicle, its owner and its technical situation. This creates a possibility for EU-wide checks, as at the moment there are different rules in different member states, which some cases makes it impossible to check if the vehicle is valid for the road use. ★

*"Every member state has the obligation to register, for the first time, any vehicle that received European type-approval on the basis of the 'certificate of conformity' issued by the vehicle manufacturer"*

Vilja Savisaar-Toomast is parliament's rapporteur on registration documents for vehicles. 'Roadworthiness package'



# Boosting innovation through new cluster concepts in support of emerging issues and cross-sectoral themes

The strategic project CluStrat aims at upgrading the competitiveness of Central European regions

## CLUSTRAT

Societal challenges such as ageing societies or climate change will alter market demands and thus create new industries. In order to stay competitive, European regions must be prepared to exploit the related market opportunities.

Exploring the potentials of Central European regions with a view to emerging industries, and of ways to support their anticipation and exploitation through clusters, is the core objective of CluStrat. CluStrat is a strategic project implemented within the CENTRAL EUROPE Programme co-financed by the ERDF. It has started in October 2011 and will run until September 2014.

Clusters can play an important role with regard to the development of novel products and services for changing market demands. The transnational project consortium of CluStrat has therefore joined forces to develop new policy approaches for upgrading the performance of clusters with a view to the following emerging industries:

1. Active Ageing
2. Sustainable Development / Green Economy
3. Sustainable / Intelligent Mobility

These emerging industries will often call for innovation at the interface of traditional industries, key-enabling technologies (KETs) as well as cross-sector services. From a transnational perspective, and given the differing strengths and assets of Central European regions, a way to facilitate this kind of cross-fertilization lies in promoting cross-regional and cross-cluster collaborations. In line with the Smart Specialization concept, this approach encourages each region to deploy its specific strengths.

In addition, related cross-cutting issues including internationalization, technology transfer and gender in innovation are tackled in CluStrat as a means to bring forward the new cluster concepts for the emerging industries.

CluStrat will deliver:

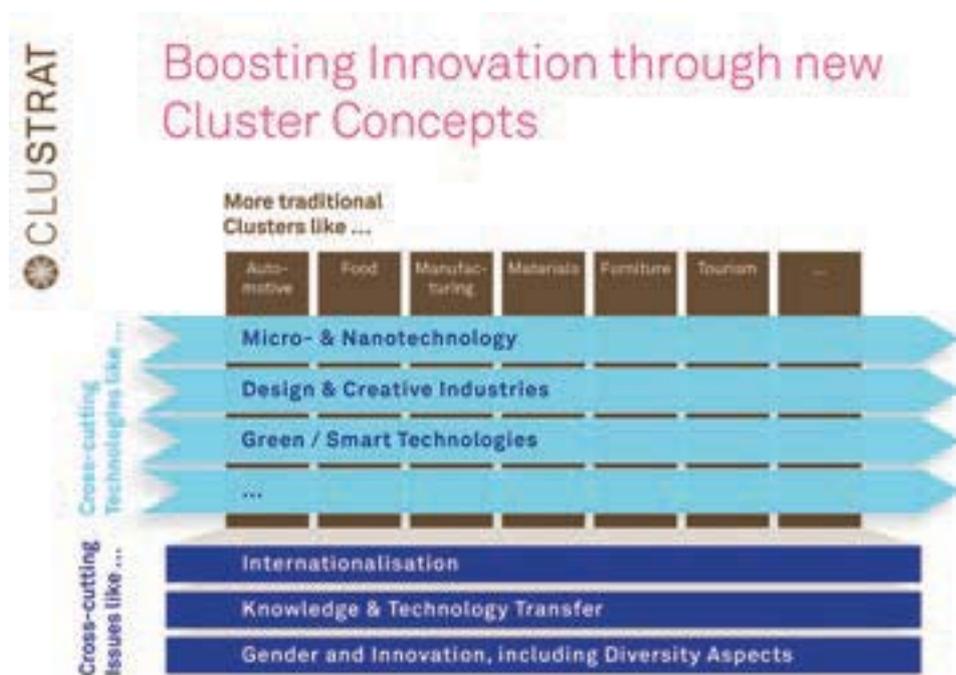
- an assessment of the potentials of the project regions with regard to certain emerging industries and cross-cutting issues
- the adoption of a joint strategy on how to enhance the cluster performance in Central Europe to exploit these potentials, and pilot actions to test the strategy elements
- policy recommendations, a joint action plan as well as the formulation of joint future actions at transnational and macro-regional level

In order to achieve valid results, all project activities are part of a systematic process of "Policy Dialogue" involving policy makers at regional, national and transnational level.

CluStrat convenes partners from Austria, the Czech Republic, Germany, Hungary, Italy, Poland, Slovenia, Slovakia and Ukraine. CluStrat is coordinated by Steinbeis-Europa-Zentrum (Germany), in close collaboration and with financial support from the Ministry of Finance and Economics Baden-Württemberg.

CluStrat is considered a Light House project within the EU Strategy for the Danube Region.

At the project website [www.clustrat.eu](http://www.clustrat.eu), interested parties can register for the project newsletter, search the document database and follow the Policy Dialogue events.



Andreas Jung, Jung Visuelle Kommunikation

## Daul rejects calls to expel Fidesz members after Hungarian law change

The leader of parliament's biggest political group has angrily defied demands to expel Hungary's Fidesz party members from the EPP grouping. EPP leader Joseph Daul said, "You can't expel people or parties just because you disagree with them." The call was made in the wake of Hungary's controversial decision to change its constitution to limit the powers of its constitutional court.

The Hungarian parliament, dominated by prime minister Viktor Orbán's Fidesz party, voted for a set of government-backed constitutional amendments, despite warnings from the EU, the US government and human rights groups that the changes could undermine Hungary's democracy. Critics'



main focus has been on changes they say undermine the country's judiciary, such as one barring the constitutional court from considering the legality of constitutional amendments and from applying case law and legal precedents predating the new basic law, which took effect in 2012.

The EPP includes 14 MEPs from the Fidesz party and has faced calls to expel them in the wake of Monday's decision. However, Daul, a French MEP, rejected such calls, saying, "You wouldn't have any European political parties if people whose views you disagree with were all thrown out." He said, "These constitutional changes in Hungary are complex but it has complied with the rule of democracy."

## EU commission accused of 'complacency' over economic crisis

Commission president José Manuel Barroso has come under fire after he advised EU countries to continue with austerity budgets to halt their economic woes. In a letter to member states sent ahead of last week's EU summit, Barroso said that "steadfast implementation of reforms is beginning to deliver results in terms of current accounts and regaining competitiveness".



The letter includes charts that highlight economic gains made by Ireland and Portugal, countries that have received large international bailout loans to pull them through the sovereign debt crisis. But S&D group deputy leader Stephen Hughes condemned the letter, accusing the commission of "complacency in the extreme" in EU-wide efforts to recover from the ongoing economic crisis. He said that, contrary to the sentiments expressed by Barroso, "there is no room at all for optimism." "We need radical measures, but this letter from Barroso shows there is no sign of this happening."

Under the deal, EU spending from next year will fall for the first time in its history, with the total of €960bn representing a three per cent reduction from the previous seven-year deal. The resolution, backed by leaders of each of parliament's four biggest groups, is believed to call for a shift in spending priorities in the draft deal, with more emphasis on jobs and growth.

## Israel leader says EU has 'important' role to play

Israel president Shimon Peres says the EU has an "important role" to play in bringing peace to the Middle East. Speaking in Strasbourg last week, Peres told MEPs it was in the "mutual interests" of both the EU and Israel to cooperate more closely in finding a peace settlement.



In a speech, described as "historic" by parliament's president Martin Schulz, Peres also called for international action to prevent Syria from "falling to pieces". He also condemned Hezbollah, branding the group as "trigger happy" and saying that they had "sent soldiers to support the massacre in Syria".

He spent much of a 40-minute speech castigating Iran, saying it posed the "greatest danger to peace in the world". He told members, "It became a dictatorship cloaked in a religious mantle. It developed an imperial appetite. Nobody threatens Iran. Iran threatens others. It endangers the independence of Arab countries. It menaces the mere existence of Israel. It smuggles arms into many countries in order to undermine their stability. They deny the Holocaust and call for another Holocaust." He went on, "I believe that in addition to controlling the production of highly enriched uranium – there is a need to control the means of delivery." He called on the international community, including the EU, to raise a "clear voice against the violation of human rights by the Iranian regime".

## Schulz greets election of new Maltese leader

Parliament's president Martin Schulz has welcomed the election of his "highly regarded" former MEP colleague Joseph Muscat as Malta's new prime minister. Muscat's Labour party will return to power after 15 years in opposition, with a projected win of 55 per cent of the vote in the eurozone state's election.



Party leader Muscat claimed a "landslide victory" for his party, with the outgoing Nationalist Party expected to take 43 per cent of the ballots.

Unlike other eurozone states, Malta has prospered in recent years, and the economy did not dominate the campaign.

Muscat made change the big theme of his campaign, with his main electoral pledge being to reduce electricity prices - believed to be among the highest in the world - by 25 per cent. He also promised to do more to tackle corruption.

Schulz said, "I salute the Maltese people who have participated in one of the most active democratic elections in Europe, with over 93 per cent voting turnout. I congratulate the Labour party and my highly regarded former colleague Muscat for winning the trust of the Maltese people in these elections. I look forward to working closely together with a view to finding common answers to the challenges faced by our EU."

## From the Twittersphere

**@Hannes\_Swoboda** S&D group leader Hannes Swoboda



Do we need another Karl Marx-who died 130 years ago-to reform our failed capitalist system? EU council must act now!

**@VivianeRedingEU** European justice commissioner Viviane Reding



We want to see European political parties nominate their candidate for @EU\_Commission president

**@NSinclair** MEP Nikki Sinclaire MEP



Today I told #EU high rep Ashton that the EU was paying lip service to the situation in #Syria. I also told her she was an expensive lipstick

**@VerhofstadtGuy** ALDE leader Guy Verhofstadt



Predictable as it was the signature of president Ader leaves #EU with no choice but to act. Time for inquiry under art. 7 #Hungary #euco

**@MariaDamanakiEU** European maritime commissioner Maria Damanaki



In some countries one needs to contact up to 8 administrations before having the permit for an aquaculture site: need simplification.

**@APIebalgsEU** European development commissioner Andris Piebalgs



#Undernutrition causes 1/3 of all child deaths. A shameful reality that calls for a global and decisive EU's response

**@mcashmanMEP** Michael Cashman MEP



Just for the record, Labour MEPs voted in favour of the EU budget

**@SiimKallasEU** European transport commission Siim Kallas



New rights proposed for air passenger rights: main aim to get you where you want to go asap, avoiding cancellations

**@BarrosoEU** European commission president José Manuel Barroso



@Pontifex. The EU congratulates Francis I on his election as #Pope and Head of State of the Vatican

**@spietikainen** Sirpa Pietikäinen MEP



Recent #Global warming is unprecedented in magnitude and speed and cause @thinkprogress

**@martinschulz** European parliament president Martin Schulz



Congratulations Pope Francis. Wish him strength in reviving Church's fundamental values: solidarity&aid to weakest.

## Mixed react to vote on EU agricultural reform

MEPs have rejected campaigners' demands to tie the majority of farm subsidies to protection of the environment. The common agricultural policy (CAP) accounts for nearly 40 per cent of the EU budget and MEPs voted to determine how these funds should be spent in the period from 2014 to 2020. After the vote, it now looks inevitable that farmers will continue to receive most of their €58bn annual subsidies.



MEPs agreed that farmers should work for 30 per cent of their payments by operating in a way that benefits wildlife but they delayed and watered down the changes proposed by the commission. The vote came on a wave of growing public opposition to industrial farming and its increasingly harmful

impacts on the countryside and consumers.

The Greens expressed "serious regret" at the outcome, with co-chair of the agriculture committee José Bové saying, "MEPs have voted for the CAP to plough ahead unsustainably, with an outcome that is even worse for the environment than, and just as unfair as, the current model."

UK MEP Julie Girling said, "One thing is already clear. This was a golden opportunity so set up a fairer and less wasteful system, but that opportunity has been squandered."

However, Labour MEP Brian Simpson was more upbeat, saying, "We welcome greater transparency on agriculture spending but would have liked to see much more radical reform overall."

# Nickel, essential today, essential tomorrow



To put mobility on a more sustainable path, reduction of fuel emissions remains an important requirement. Nickel is a critical element in catalyst technology used to lower transport emissions by removing sulphur from fuel.

Hybrid and electric vehicle technology has been greatly assisted and improved thanks to nickel metal hydride batteries as well as other nickel-based battery technologies.

# Fuels for the future

Uncertain demand from manufacturers, investors and consumers is the biggest barrier facing the build-up of future transport fuels, writes **Siim Kallas**

**T**ransport is the largest oil consumer of all economic sectors in the EU – with the road sector consuming most of all. We know oil will most likely be more expensive to import in the future and generally harder to obtain from unstable parts of the world, so it makes sense to develop and promote innovative and cleaner alternatives.

It is also an obvious way to make Europe's economy more resource-efficient. Fuels such as electricity, hydrogen, natural gas, biogas and liquid biofuels can help in the diversification of Europe's dependency on one type of fuel and significantly cut transport's carbon emissions. Energy-efficient technologies also offer EU companies a large commercial opportunity.

Alternative fuels already exist, and in many cases the technology is mature enough for market deployment. But there is still a gap between successful demonstration projects and deployment in the real market, which the private sector does not yet reach.

Consumers will only reach this market if they can buy these vehicles at a reasonable price and if there is sufficient and accessible infrastructure so the vehicles can run. Without it, this market will not succeed, despite the huge investments that have been made. At the moment, we are trapped in a self-perpetuating circle.

Investors are unsure about these new markets and do not put their money into alternative fuel infrastructure because there are not enough vehicles and vessels to use it. In turn, these are not offered by manufacturers at competitive prices because there is not enough consumer demand. And consumers do not buy the vehicles because the infrastructure is lacking.

This goes a long way to explaining why EU citizens do not yet feel confident enough to switch to other technologies. We



*“If there is to be a true single market for alternative fuels, there must also be common standards for infrastructure so people can operate and recharge their cars in the same way in Europe”*

need to kick-start these new markets so consumers, industry and business

can begin to benefit. If the infrastructure were more widespread – not just in a few cities, but across Europe – consumers will gain confidence that these technologies are ready.

Today, Europe's network to supply electricity, hydrogen and natural gas for transport is simply not sufficient to enable market take-up, which is why I am proposing a comprehensive long-term strategy for alternative fuels. The idea is to provide a reliable legal environment to stimulate private investment in a new market. To create EU-wide conditions to boost customer acceptance, we need to set targets to build the necessary infrastructure and make it compatible everywhere.

Take electric propulsion, one of the main long-term options to substitute oil for short to medium distances. With their high energy efficiency and zero tailpipe emissions, electric vehicles could radically change the way mobility is organised, particularly in urban areas.

Ultra-clean silent buses and delivery vehicles powered by electricity would also improve the quality of urban life. Much



## FUEL AND TRANSPORT

of the infrastructure needed for deploying electric vehicles does exist, but charging points have to be available. For electric vehicles, a minimum number of charging points should be required in each EU member state by 2020 and at least 10 per cent of these should be publicly accessible.

The technology for hydrogen is maturing but more development is needed to lower the high cost of fuel cells. The proposal focus on building a sufficient network and mobility throughout the member states that have already invested in refuelling stations for hydrogen. Liquefied natural gas is the only fuel that will reasonably allow ships and waterborne transport to meet emissions targets. But market take-up is mostly in the planning stage and fuelling facilities are very limited. They should be made available for waterborne vessels in Europe's major sea, river and canal ports, and for road vehicles along the main motorways.

If there is to be a true single market for alternative fuels, there must also be common standards for infrastructure so people can operate and recharge their cars in the same way in

Europe. That means standardised methods of payment at fuelling stations, for example; the same types of fuel nozzles and electric plugs. Consumers today must use different adaptors, while investors and manufacturers pay retrofit costs to adopt new recharging and refuelling systems.

This new customer base and market has great potential for European business and manufacturers. Today's world market share of electric, natural gas and hydrogen vehicles is very limited, but it is definitely set to grow. So this is a good opportunity for EU car and transport equipment manufacturers to become world leaders in this burgeoning sector and raise their global competitiveness. In turn, that will stimulate economic growth in Europe and create more employment, particularly in small and medium-sized enterprises.

The largest barrier to accelerating build-up of future transport fuels is uncertain demand from manufacturers, investors and consumers. It is now time to give clear signals to all of them by creating conditions to get these fuels and vehicles properly on the EU market. ★

**Sim Kallas**  
is European  
commission  
vice-president for  
transport



# ZERO EMISSIONS MOBILITY, A REALITY IN EUROPE TODAY

**N**issan is today the 100% electric vehicles market leader with more than 50,000 vehicles on the globe's roads and two years of real-world zero-emissions.

Despite a difficult economic situation the zero emissions vehicles market has been increasing significantly in the past two years, the market reached close to 19,000 units in 2012 which represents an increase of 72% compared to 2011. With the arrival to the market of new models and with the new Nissan LEAF, made in Europe, the volume could significantly grow again despite of an overall shrinking automotive market.

## **RECHARGING INFRASTRUCTURE, ALREADY AVAILABLE IN EUROPE**

An adequate coverage of charging stations is essential to ensure consumer acceptance for electric vehicles. The existing network does not allow to sufficiently covering the entire Europe, therefore the supporting actions like the binding targets proposed in the Clean Power for Transport directive are very important to move zero emissions mobility to the next phase. Nissan first years of experience in the commercialization of electric vehicles show that in order to

increase the consumer adoption home charging and slow chargers need to be complemented by a sufficient number of quick chargers.

In Europe, more than 20,000 slow charging points and more than 650 Chademo DC quick chargers are already installed. The current quick charging network, which typically allows for vehicle charging in 20 minutes, will be expanded based on a recently developed multi-standard Chademo/CCS/AC charging system applicable to the vast majority of current and future, Electric Vehicles. This new charging system will complement the existing Chademo charging network allowing full interoperability between car manufacturers and between Member States.

## **CITIES OFFERING A HEALTHIER AND MORE SILENT ENVIRONMENT**

In recent years, there has been a dramatic increase in the number of vehicles on roads worldwide and at the same time, more and more studies indicate that vehicle emissions have negative effects in human health. CO2 and the other polluting emissions cannot be extensively reduced simply by improving gasoline-powered vehicles

or with the production of hybrid cars alone. The automotive industry needs to accelerate the use of zero-emission vehicles to substantially reduce emissions.

The vision of Nissan is larger than zero-emission cars themselves. We are refining vehicle-to-grid technology, which allows an idle EV to return power to the grid at peak times and recharge with cheaper, off-peak electricity. We will help our customers to use their batteries to power their homes in order to reduce energy expenses and also to support the uptake of renewable electricity while making a more stable grid.

In addition, we are convinced that the transformation of European transport system should be based on natural complementarities between transport modes. The right multi modal urban transport combination has the potential to transform the existing polluted cities in places where people live longer and with higher quality of life.

## **SUSTAINABLE MOBILITY IS ONE OF THE KEYS TO BETTER QUALITY OF LIFE**

We are optimistic about the future. Despite economic turbulence since 2008, governments have not reduced investments necessary for the introduction of zero emission transport. Given the global economic crisis, the political and economic benefits of sustainability - the creation of "green tech" jobs, reduction of oil imports and the improvement of air quality in cities will be the base of a better and stronger economy. Nissan stands ready to support the European institutions, cities, regions or national governments to achieve their ambitious sustainability objectives



# **NISSAN**

Nissan Europe External Affairs  
[externalaffairs@nissan-europe.com](mailto:externalaffairs@nissan-europe.com)

# Working together

Europe needs a responsible climate policy that doesn't damage the automobile industry, argues **Thomas Ulmer**

In the weeks to come parliament will be engaged in working out the new CO<sub>2</sub> guidelines for the European automobile industry. At working group level, negotiations are already well in hand with the parliament's environment, public health and food safety committee. As rapporteur for the EPP, I have the task of finding a way which firstly does not undermine the ambitious targets of the EU and, secondly, leaves the industry with room to manoeuvre. Where we stand in relation to climate change, whether it is already taking place as suggested by many climate experts or not, remains to be seen. What is certain is that it cannot be the aim of parliament to write a report which weakens the automobile industry which is so important to the European economy. There have been frequent widespread expressions of a mentality which is against the industry instead of for it. We cannot allow one single job in one automobile factory to be lost because of well-meaning EU climate targets. The automobile industry, as one of the largest European employees, would like certainty for its planning and needs guidelines. However, it must be in a position to fulfil these and justify costs. Ideology has nothing more to offer here. The fact is that manufacturers with small, supposedly environmentally-friendly vehicles are those having the greatest financial problems.

During discussions about this report, some colleagues submitted arguments which make us doubt their actual intention. In future do we want to look for the socialist standard automobile or will citizens be able to look further for the vehicle they would like?

Although this might seem a joke to many people, it is unfortunately the bitter reality. The commission's proposal has exactly these intentions and is flanked by self-styled environmentalists of all colours, as CO<sub>2</sub> is bad by definition.

At this point we should mention that without the greenhouse effect, in which CO<sub>2</sub> plays an important role, no life would be possible on earth as then the average ground temperature would be about -180 degrees Celsius, according to the Max Planck institute for meteorology. I am therefore warning of a fundamental

demonisation of CO<sub>2</sub>. Of course the fact is that too much of this gas can trigger the opposite effect and that output must be controlled somehow.

Europe is always looking for ways and means to reduce CO<sub>2</sub> output. As a producer of combustion engines the automobile industry is particularly suited to being the old maid – an industry which, like no other, is achieving savings potential with regard to CO<sub>2</sub>. It is the producers of high quality premium vehicles and their suppliers who are finding themselves increasingly more exposed to criticism from certain green groups. It is manufacturers who, through higher profit margins on these vehicles, invest more money in research and development of environmental technology and obtain and create jobs as a pleasant side effect. Technologies financed in this way gradually find themselves included in the smaller, mass-produced vehicles which we are talking about here. Therefore, when the objection that the repeated charging of vehicles with certain properties is only in order to encourage their survival is put forward, this is not even part of the truth. Certainly, it seems to be fashionable in parliament to wish to sell this truth as the whole truth; especially since the raised super credits threshold for vehicles I proposed would be responsible for only about 0.1 per cent of European CO<sub>2</sub> output.

I think it is necessary to bring trust to the industry. Finally it is a good example of successful economic activity with sustainability as a central component. We must therefore ask ourselves the question, what do we actually want? Do we want to castigate the industry or would we like to see environmentally friendly vehicles on our roads? Do we want to work with the industry or against the industry? It is my feeling that motivation is better than force. Therefore, I also propose a scheme which promotes eco-innovations instead of

*“Where we stand in relation to climate change, whether it is already taking place as suggested by many climate experts or not, remains to be seen”*

preventing them. The USA has understood this. The point of view has been accepted there that positive motivation is the effective means of installing environmental technologies in vehicles in a way which justifies costs. A table has been drawn up showing the CO<sub>2</sub> bonus provided by a particular environmental technology. The government allows, cumulatively, more than 10g of CO<sub>2</sub> per mile. The commission's idea does not provide a table and only grants up to 7g of CO<sub>2</sub> per kilometre, but, at the same time, has not yet recog-

nised one single eco-innovation.

The European fleet of vehicles is really old and renewal is urgently needed. With the intended climate targets new vehicles would become so expensive that many consumers would prefer to continue using their old vehicle rather than buying a new environmentally-friendly car. This would not serve any purpose, not that of the environment and certainly not that of the industry. ★

A close-up portrait of Thomas Ulmer, a man with a full grey beard and hair, wearing a dark suit jacket, a light blue shirt, and a patterned tie. He is looking slightly to the left of the camera with a thoughtful expression.

Thomas Ulmer is parliament's rapporteur on reducing CO<sub>2</sub> emissions from new passenger cars: modalities for reaching the 2020 target



CEN - European Committee for Standardization  
CENELEC - European Committee for Electrotechnical Standardization



## European Standards support the growing market for electric vehicles

Public authorities at all levels are actively promoting electric vehicles as a way to reduce CO<sub>2</sub> emissions and air pollution from motor vehicles. Standards are necessary to optimise performance, ensure components are compatible, and boost the confidence of potential purchasers and users.

The European Commission has asked CEN and CENELEC to provide European Standards relating to the charging of batteries for electric vehicles. This ongoing work (under mandate M/468) is being coordinated and overseen by the CEN-CENELEC e-Mobility Co-ordination Group.

CENELEC has already developed and published European Standards and Technical Specifications in relation to:

- conductive charging systems for electric vehicles
- plugs, socket-outlets, vehicle connectors and vehicle inlets
- secondary batteries and lithium-ion cells for electric vehicles

CEN and CENELEC continue to work closely with their members in 33 European countries, with technical experts from vehicle manufacturers, and with the international standards organisations ISO and IEC.

### CEN and CENELEC create European Standards

[www.cencenelec.eu](http://www.cencenelec.eu) [info@cencenelec.eu](mailto:info@cencenelec.eu)



### Conference Chairs

**José A. Olivares & Richard Sayre**, *Los Alamos National Laboratory, Los Alamos, USA*

**AlgalBBB 2013** will provide direct interaction for attending delegates, with scientific and technical leaders in this field. Emphasis will be placed on the latest unpublished technical and scientific results, along with discussion and direct interactions with strategic partners and leaders in the field. The conference is designed to facilitate extended discussion periods, dedicated networking sessions, and exciting technical presentations. The conference will cover all areas of emerging technologies in algal biology, biomass production, cultivation, harvesting, extraction, bioproducts, and econometrics.

Visit the website to meet the speakers, view the programme and register!

[www.algalbbb.com](http://www.algalbbb.com)



# Target practices

Before the EU can realise its CO<sub>2</sub> reduction targets, it must consider the kind of technologies that will be used to achieve them, writes **Mario Pirillo**

**R**oad transport represents the second largest source of greenhouse gas emissions in the EU and one fifth of total emissions. The 2050 roadmap towards a low carbon society sets out a number of scenarios in which emissions could be reduced by between 85-90 per cent compared with 1990 levels. Even transport (excluding maritime) is one of the sectors which will be called upon to make greater efforts, with a view to achieving a theoretical reduction in CO<sub>2</sub> of 60 per cent, with 1990 still being taken as the benchmark year.

This is obviously an ambitious target for which a start should be made right now on bringing about a shift towards a European system of sustainable, efficient transport requiring European and domestic support policies as well as a hard push

towards technological innovation for vehicles with less pollutant engines through the use of “cleaner” energy.

Europe’s dependency on oil renders it vulnerable and subject to the price volatility of what is, at least for the present, a fundamental raw material. It is within this context that European energy policies should be seen, understood and supported, including, as they do, alternative fuel research and experimentation. The communication of January 2013 issued by the European commission on ‘Clean energy for transport’ puts forward a series of initiatives intended to gradually replace oil with alternative fuels which could result in cost savings on oil imports, with savings estimated as being in the order of €4.2bn per year by 2020 and € 9.3bn per year by 2030. What is involved here are potential resources which,





*“As things stand, the projected targets for 2050 can only be reached by using electrically-powered vehicles or hydrogen fuel cells”*

Mario Pirillo is parliament's S&D group shadow rapporteur on reducing CO2 emissions from new passenger cars: modalities for reaching the 2020 target

combined with those earmarked under the Horizon 2020 European research programme, could create a virtuous circle of investment in research for an efficient, environmentally-friendly European transport system.

Road transport is already contributing to the reduction in emissions and, in the case of new vehicles, the 2009

regulation, still in force, fixes 95g of CO<sub>2</sub>/km as the target for 2020. If we consider the average emissions level as being 130g of CO<sub>2</sub>/km by 2015, it is easy to see how the automotive industry, itself in the grip of a serious crisis, has already been called upon, in the medium term, to make some significant efforts. Indeed, in 2012, new registrations in Europe sank to their lowest level since 1995, totalling 12,053,904 cars, with the result that the car market throughout the 27 EU member states recorded a drop of 8.2 per cent, the biggest fall since 1993.

The 2050 roadmap makes us face up to the fact that we will have to start thinking about new reduction targets for vehicles after 2020. It is still too early to conceive of fixing reduction percentages because it is currently difficult to theorise as to which technology will be the best for achieving them. Perhaps it would be best to consider a technological mix of traditional fuels (including natural gas), electricity and hydrogen, rather than giving preference to any single one.

As things stand, the projected targets for 2050 can only be reached by using electrically-powered vehicles or hydrogen fuel cells. Much has been expected of these new vehicles and it was thought that the models put on the market would have enjoyed greater success. If we were to analyse the sales figures for 2012, these would reveal very low percentages. Indeed, in western Europe, in 2012, 24,203 “fully electric” cars were sold, which is 0.21 per cent of total sales. These figures are chiefly attributable to two circumstances: a low level of consumer acceptance, due to both poor engine autonomy and poor charging infrastructures and the high cost of such vehicles which makes them an unattractive proposition.

It is my belief that, during the forthcoming phase when the post 2020 target is to be fixed, we should move towards technological neutrality. I am of the opinion that, as things stand, since we do not know what future developments there will be, we should not give preference to one technology over another. Low-emission engines already exist, such as methane powered cars, widely used in Italy where a country-wide distribution network is in place. Obviously, we do not produce methane, but compared with oil, its cost is decidedly lower when you think that €10 worth of methane is enough to cover an average of 158km, compared to 58 km with a petrol engine.

Undoubtedly, the electrical sector would give us complete independence from oil, but fully electrically-powered transport would mean an exponential increase in electricity production. How would this electricity be produced? ★



# Direct benefits

It is time the car industry focused on producing smaller, more efficient cars, argues **Rebecca Harms**

Since the debate started in parliament on the revision of the CO<sub>2</sub> regulation for passenger cars, I feel as though I've been transported back in time. The same colleagues in the European parliament are arguing with largely the same arguments for weakening or strengthening EU rules for car emissions. Again the industry claims that stringent limit values would lead to a massive increase in the price of cars and job losses. I heard the same warnings when we discussed the CO<sub>2</sub> limits for cars for the year 2015 in 2008. Today we see that most car manufacturers will easily reach their targets by 2015, many have almost reached these targets now, two years in advance. At the same time, the prices for new cars stayed the same. This means that consumers benefit directly from lower fuel costs when they purchase a new car. But it also means that CO<sub>2</sub> emissions are being saved at a negative cost.

I believed back in 2008 that we could have been more ambitious and the development since then proved me right. We should not be fooled again by the claims of the car industry. In light of the progress made in the last couple of years, we should even go beyond the target of 95g CO<sub>2</sub>/km and aim for an 80g emissions limit for the EU car fleet. It is high time that the industry makes the transition from heavy gas guzzlers to more efficient, and also smaller, cars. This will save fuel, money and CO<sub>2</sub> emissions and, at the same time, encourage high tech investments in jobs in Europe. We simply can't afford to ignore climate measures that offer multiple benefits like that.

But the arguments of the industry and many of my colleagues regarding the targets for 2020 are very much the same as four and a half years ago. Even though hardly anyone officially aims at changing the 95g CO<sub>2</sub>/km target for 2020 to a higher number, several ways are being proposed to undermine this target. The most prominent loophole that is being proposed is the so called super credits, which allow a manufacturer to count low emitting cars several times towards their target. Several members even picked up the demand of the car industry and tabled amendments to allow for the possibility to bank these credits and then only use them starting in 2020 when the new target enters into force. As probably no manufacturer will need the super credits to reach their target between 2015 →



*“In a world of climate change, economic crisis and volatile oil prices the efficiency of a vehicle will be more and more important for consumers when buying a new car”*

Rebecca Harms is Greens/EFA shadow rapporteur on reducing CO2 emissions from new passenger cars: modalities for reaching the 2020 target

then used between 2020 and 2023. As a result, the 95g target that should have been reached in 2020 will only be reached with a four year delay in 2024. The car manufacturers will not need these super credits to reach the target as it can be reached with efficiency technology that is already available. And the consumers will be duped out of fuel savings for these years.

The proposed super credit schemes will delay the target and impede efficiency gains in the conventional car fleet that will still make up by far the largest part of the car fleet in the coming years. But it will also fail to spur the investment in ultra low emitting vehicles. It is true that a dynamic development of these vehicles will be necessary, especially when lower emission targets than the 95g should be reached. But super

and 2020, all credits would be saved and

credits will do very little to achieve this. A much stronger incentive for car manufacturers to invest in the development of new technologies is ambitious emissions targets. Therefore we should also already think beyond 2020 and fix a target for 2025. This would give the car manufacturers and their suppliers investment security as they would know that investment in efficiency technologies will lead to an advantage in the EU car market.

In the long run, these investments will also secure the competitiveness of European cars on the global market. In a world of climate change, economic crisis and volatile oil prices, the efficiency of a vehicle will be more and more important for consumers when buying a new car. Being ambitious today will secure jobs in the EU, save consumers real money, decrease our dependency on oil imports and of course save CO2 emissions. ★



# Laying the foundations for a greener transport through an efficient, safe and interoperable network of EV charging points in Europe

Mr. Arturo Pérez de Lucía  
AEDIVE Managing Director

Lately, the European Commission has set ambitious goals for the implementation of a huge EV Charging Infrastructure across Europe until 2020 and accordingly, has sent a clear message regarding its commitment to this market through a proposal of the European Parliament on the deployment of alternative fuels infrastructure.

The introduction of the electric vehicle to European industry is seen important for many reasons, including new market and job opportunities arising out of a growing focus on sustainability, the improvement of a better energy efficiency and the harm reduction owing to greenhouse gas emissions.

But the development of the electric vehicle industry requires considerable investments, support for the creation of new markets and new business models and changes in the mobility behaviour of both individual people and the society as a whole.

Spain is the only European country which has a cluster specially set up for working on the deployment of an efficient, interoperable and safe EV Charging Infrastructure to facilitate the use of electric vehicles. AEDIVE was created in April 2010 to support the Spanish Strategy for the Implementation of the Electric Vehicle

boosted by the Spanish Government and actually gathers over 40 members between big companies, SMEs and also universities and research centres.

AEDIVE is focused on developing an adequate regulatory framework in partnership with central, regional and local governments. The cluster also works on fostering new markets and business models attracting foreign and national capital investment, and also cooperates with its members to boost innovative R&D EV infrastructure projects and encouraging the internationalization of the "Spain" brand thanks to the high quality technology products by the Spanish firms.

It is understood that without a suitable charging infrastructure, electric vehicles won't successfully be introduced in the market. The energy sector will have to bare in mind this issue as a prerequisite for customer's acceptance of electrically chargeable vehicles.

It is time to row in the same direction and the positive AEDIVE experience must prompt EV charging industry to join efforts at European level in order to build strong foundations for enabling a competitive, open and effective market that meet consumers' needs.

Who join us?

*Spain is the only European country which has a specific cluster specially set up for working on the deployment of an efficient, interoperable and safe EV Charging Infrastructure to facilitate the use of electric vehicles*

**AEDIVE**   
infraestructura del  
vehículo eléctrico

Contact details:

**AEDIVE**  
Spanish Cluster for EV Infrastructure



Mr. Arturo Pérez de Lucía  
Managing Director  
Email: [arturo@aedive.es](mailto:arturo@aedive.es)  
Mobile: 0034 630 535 882  
[www.aedive.es](http://www.aedive.es) (also available in English)  
Príncipe de Vergara 74-4ª  
28006 Madrid - SPAIN



# Paying the price

**Holger Kraher** explains how the financial burden of reducing CO2 emissions from vehicles will be passed on to the EU's businesses and consumers

Holger Kraher is parliament's rapporteur on reducing CO2 emissions from new light commercial vehicles: modalities for reaching the 2020 target

**T**he current debate on reducing CO2 emissions of cars and light commercial vehicles shows one main problem: ambitious CO2 targets massively increase costs of vehicles. The call for stricter CO2 limits carries a heavy price tag for both, cars and light commercial vehicles. As recently published studies by RTWH Aachen university show, reaching the targets set out for 2020 is far more expensive than expected. According to those studies, the CO2 emission targets set out for 2020 (95g CO2/km) cost manufacturers an additional average of €2800 to €3600 for cars. The study also points out that those costs could not be compensated by savings which result from the lower fuel consumption. Only €1900 of additional costs would be paid back through the life-cycle of a car. Hence the difference of €1100 to €1700 is what the end consumer has to pay on top.

For light commercial vehicles the target set out for the year 2020 (147g CO2/km) will only be reached in theory, but not in practice. If the vans market distribution remained the same as nowadays, just 155 gram could be reached. Only if there were a theoretically increased percentage of electric vehicles in the market, the target could be reached. But that again has its price: the cost would increase to as much as €6600 per vehicle. Those costs could be either carried by the manufactur-

ers or passed onto customers. Vans are an important means of transport for small and medium enterprises, such as craftsmen or courier services. Increasing costs will massively burden those businesses. The economic crisis already hits companies hard. Europe's economy does not need further regulatory obstacles. In this light it would be fatal to call even for stricter 2020 CO2 emission targets.

Innovative technologies are needed to reach ambitious targets. Politics should not yet enforce the market success of one single technology. We should rather motivate the industry to come up with new innovative technologies. Finally, the most competitive technology will succeed on the market. We cannot predict now whether this will be electric cars, hydrogen cell cars, micro or full hybrids. To replace a combustion engine by a battery, the total weight of a vehicle increases, since a battery is heavier. Engineers must develop the combination of all options which can best reach the lowest emissions. It is therefore more important to provide manufacturers with incentives such as super credits or eco innovation schemes. Worldwide a number of possible technology scenarios are available. Thus, it would be narrow minded to dictate future technologies by legislation. Technological developments should not be ignored or pushed into a single direction. Hence, super credits stimulate innovation without burdening taxpayers. The scheme allows manufacturers who produce vehicles with ultra low emissions, such as electric cars, to have them double or triple credited in the manufacturer's fleet and therefore positively influence the average fleet emissions.

For the same reason, new targets for the period after 2020 should also not be defined too soon. Low CO2 emissions do not guarantee market success. Customers have a wide range of factors to choose from when making their decision to purchase. Fuel consumption might be one factor, but there are a lot more. This might be even more the case for private cars. It is evident that the CO2 champions among the manufacturers are the ones in the biggest financial trouble. After all, keeping cars affordable is eventually a question of responsibility. ★

*"The call for stricter CO2 limits carries a heavy price tag for both cars and light commercial vehicles"*

# The alternative route

The interests of the EU's automotive industry, citizens and the environment need to be considered when reducing CO2 emissions from vehicles, writes **Eider Gardiazábal Rubial**

Last autumn, the commission put forward its proposal to amend the 2009 regulation whereby the deadline for reducing CO2 in new cars was fixed at 2020, to include an emission target of 95g of CO2/km. Compared with the previous target of 130g by 2015, this new objective will make it possible to achieve reductions of 27 per cent in annual fuel consumption, enabling consumers to save up to €3836 during the life of their car. Furthermore, it will stimulate research and innovation in the automotive sector, promote growth and environmentally friendly employment, and improve the competitiveness of EU industry at international level, while reducing dependency on oil imports.

Despite the broad support for the objectives established under the legislative proposal, I thought it advisable to reiterate some of its aspects such as the fixing of targets for 2025, an alternative for "super credits", the possibility of using the footprint parameter and improvements in testing, given the differences between accredited emissions and actual CO2 emissions.

One of the weak points of the commission's proposal, in my opinion, is the lack of an emissions target beyond 2020. This would provide the automotive industry with a forecast and greater investment security, stimulate the low-carbon emission vehicle market and enable the EU to retain its world leadership position in the production of clean, low-consumption vehicles.

While it is clear that there is currently insufficient information available to allow us to fix a specific target, we should, nonetheless, be sending out a clear message about the need to continue reducing emissions. Consequently, for 2025, I propose a bracket of between 65g of CO2/km and 75g of CO2/km. It is worth mentioning that this target has already been fixed in the USA.

As regards the alternative system to super credits, the objective is to accelerate the introduction of low carbon emission vehicles into the EU market by offering incentives to producers for whom over five per cent of passenger car sales

involve vehicles emitting fewer than 50g of CO2/km, and imposing penalties on those whose sales of such vehicles account for less than four per cent.

As far as utility parameters are concerned, I would propose a dual system in which the footprint could be used as an alternative to the mass, with effect from 2016. Despite the fact that the weight of a vehicle has a considerable bearing on fuel consumption and CO2 emissions, the commission's proposal only includes the parameter of utility based on mass.

Another important concern is the difference between emissions measured during testing cycles and actual emissions produced by light-duty vehicles. A number of these proposals are aimed at reducing such differences and, thus, providing consumers with information most closely aligned with reality.

The overall criterion followed in drafting the various proposals has been to seek a balance between the needs of the automotive industry and the desire to reduce emissions of polluting gases, while always bearing in mind that the ultimate beneficiaries of such a policy must be the general public. ★

Eider Gardiazábal Rubial provides parliament's transport and tourism committee opinion on reducing CO2 emissions from new passenger cars/new light commercial vehicles: modalities for reaching the 2020 target

*"One of the weak points of the commission's proposal, in my opinion, is the lack of an emissions target beyond 2020"*



# SUBSCRIBE TODAY



## THE PARLIAMENT

POLITICS, POLICY AND PEOPLE **MAGAZINE**

Reflecting and reporting on the work of the European Parliament, the European Commission and the Council of Ministers as well as broader European issues, The Parliament Magazine provides insight and analysis of European politics and policy.

This fortnightly publication is a must-read for those who want to stay informed on key EU legislation and the work of the European Parliament.

Subscribe to this fortnightly publication and ensure you don't miss out on:

- ★ Profiles of key EU figures
- ★ In-depth interviews with European opinion formers
- ★ Impartial political commentary from experienced Brussels journalists and experts
- ★ Complete legislative analysis from EU legislators
- ★ 5 special supplements throughout the year

Annual subscription, 22 issues, £120/140€



The Parliament Magazine, Dods Subscriptions, PO Box 2068, Bushley, Herts, WD23 3ZP  
Tel: +440289557007 Fax: +44208421 8244 Email: [subscriptions@dods.co.uk](mailto:subscriptions@dods.co.uk)

# Fuel's errand?

The EU's fuel quality directive is an essential tool in Europe's fight against climate change, writes **Jos Delbeke**

Europe continues to be at the forefront of the fight against climate change. We are committed to cutting our greenhouse gas emissions by 80 per cent below 1990 levels through domestic reductions alone by 2050. This will require significant changes in major sectors of our economy, such as power generation, industry, transport and construction, as well as agriculture. A smooth, cost effective transition to a low carbon economy is beneficial for the climate and can contribute positively towards much needed sustainable economic growth, green jobs and securing European competitiveness in the future.

The transport sector remains one of the greatest challenges in this effort. Our transport system is heavily reliant on liquid fuels, which – in a context of depleting fossil fuel reserves and an increasing global demand due to population growth – is likely to translate into higher energy prices. In addition, a greater penetration of more polluting unconventional sources of crude oil – from oil sands and oil shale – will enter the market. This is why we need policies that stimulate the development of low carbon fuels in a cost effective way.

This is where the Europe's fuel quality directive fits in. Historically, it was focused on guaranteeing minimum standards in the quality of fuels consumed in the EU so as to limit air quality impacts and avoid market distortions. It was the catalyst for eliminating lead from petrol and reducing sulphur to a minimal level.

As part of the 2009 climate and energy package, European leaders agreed to introduce an additional objective of achieving a six per cent carbon intensity reduction in road transport fuels by 2020. This is to be met through an increased use of renewable fuels in transport, such as biofuels and electricity, as well as measures to lower the emissions associated with the



*“Greenhouse gas emissions associated with the production of fossil fuels differ across crude oil feedstocks depending on the extraction and processing methods”*

production of fossil fuels. This move has turned the EU into the largest market in the world where a low

carbon fuel standard operates. This approach has many advantages. For example, the focus on greenhouse gas performance targets is technology neutral and harnesses market forces while providing industry with the flexibility to achieve the objective in the most cost-effective way. This is why this approach has also been adopted in many jurisdictions in both





the US and Canada. In California, where implementation is most advanced, a price differential is already emerging for low carbon fuels.

There are a number of issues that need to be considered in order for the fuel quality directive to operate appropriately. As its effectiveness is based on the recording of the lifecycle greenhouse gas emissions of the various fuels being consumed, it is most important that their emissions are accurately measured and reported. This can pose a challenge where significant levels of emissions, associated with the production of certain fuels, cannot be directly attributed to them. This is the case with emissions resulting from indirect global land conversion as a result of increased crop production for biofuels. This is why the commission has proposed to address indirect land-use change emissions associated with biofuel production through limiting the amount of oil, cereal, starch and sugar crops that can count towards the targets in the legislation. In addition, we require suppliers to report these indirect emissions to ensure that there is market transparency – and ultimately price signals, as already seen in California.

The legislation requires fossil fuel suppliers to report the volumes and origin of the products they are supplying. This is because the greenhouse gas emissions associated with the

production of fossil fuels differ across crude oil feedstocks depending on the extraction and processing methods – oil sands and oil shales have higher emissions than conventional crude oil. Moreover, non-market impacts associated with energy production, such as environmental and social issues, particularly for biofuels, also need to be considered. As such, the methodological choices on reporting and verification requirements can have significant effects on the overall effectiveness of the approach and need to be considered proportionately with the burden imposed on industry operators.

The fuel quality directive aims at bringing low carbon fuels – be they from a fossil or biofuel feedstock – to market. The success, or failure, of this aim will be determined by the accurate accounting of the associated greenhouse gas emissions. However, the fuel quality directive will not be successful in isolation: additional policies addressing key market failures that are difficult to address with broad policy solutions may need to be applied in parallel. These may include regulations that accelerate investments in new and more efficient vehicles, increase alternative fuels penetration, and secure sustainability requirements. In this way, the transport sector will fully play its part in the global challenge of reducing greenhouse gas emissions.★

Jos Delbeke is  
director general of  
DG climate action

# A viable alternative?

The availability of alternative fuels will shape Europe's mobility in the future, writes **Matthias Ruete**

Europe depends heavily on imported oil for its mobility and transport. We spend €1bn every day on buying imports and more than half of it goes into our vehicles, aircrafts and ships. If we are to move beyond the oil dependency which costs us 2.5 per cent of our GDP every year, transport and its energy consumption need to be addressed as a priority. Besides research and development, taxation and CO2 emissions targets, we need an ambitious alternative fuels strategy.

By acting quickly in a new and rapidly growing market such as alternative fuels, we will not only be addressing a situation that is unsustainable economically and environmentally. We will also be creating new business opportunities for our companies and new job opportunities for our citizens. This is an occasion to create the conditions for a market for alternative fuels to power transport in the future. Full-scale deployment of these fuels has been held back by the high retail cost of vehicles, low consumer acceptance and a lack of infrastructure for recharging and refuelling. By making sure the EU has at least a minimum number of refuelling and recharging stations, along with common technical standards, we can break the current vicious circle where neither consumers, car manufacturers nor infrastructure providers dare to act before the other.

There are three elements in the clean power for transport package. First, a communication setting out a comprehensive alternative fuels strategy for the long-term substitution of oil through diversification of energy sources for transport. Second, a directive establishing a minimum coverage for alternative fuel infrastructure for electric vehicles,

hydrogen and fuel cells vehicles, compressed natural gas vehicles and liquefied natural gas (LNG) for trucks and vessels. This closes the missing link in the sustainable transport cycle. Third, a staff working document on an LNG action plan for shipping.

The strategy looks holistically at introducing alternative fuels to address different constraints: consumer confidence, lack of infrastructure, technical specifications and technological development. It takes into account the specificities of the



*“If we are to move beyond the oil dependency which costs 2.5 per cent of our GDP every year, transport and its energy consumption need to be addressed”*





**Matthias Ruete** is director general of the European commission's mobility and transport DG

various transport modes.

The strategy proposes the smooth deployment of existing, workable and most mature solutions. The legislative part of the package focuses on ensuring a build-up of the necessary infrastructure for the most mature alternatives. It will accompany the national deployment in member states by determining the minimum network coverage for refuelling infrastructure. This kind of Europe-wide build-up would lead to the market developing in a coherent rather than fragmented way.

The binding targets for electric vehicles recharging points proposed for each country are based on the commitments that

member states have set for themselves. Based on these commitments we propose conservative numbers for the whole of the EU in order to ensure minimum infrastructure coverage.

The strategy involves consumers as well as the energy and the automobile sectors. The current lack of common EU-wide standards for refuelling equipment, storage systems and common safety regulations discourages potential infrastructure investors, manufacturers of alternative fuel vehicles and vessels, as well as consumers. One example is the type of plug to be used for recharging electric vehicles. The proposal does not aim at imposing a unique standard but proposes that at least one common standard for all types of plugs is implemented in the EU to preserve the internal market. The commission based its choice on the preferred choice of most member states and on industry recommendations. Moreover, the proposal does not ban member states from putting in place more stringent safety measures.

This is a pro-business initiative. It creates the necessary clarity to enable the private sector to invest in a new market. I am convinced that the proposal will encourage technical knowhow inside the EU and foster industrial competitiveness compared with competing nations outside the EU. In comparison with the US, China and Japan, we are late.

Very importantly, private sector involvement in the deployment of these technologies means that Europe's strained public finances will not have to bear the full burden of making the transition to alternative fuels. There are many regulatory tools available to member states to promote private investments (for example building permissions, concessions, access and charging regulations and non-financial incentives).

Finally, the availability of alternative fuels will have an enormous impact on the way we will conceive mobility in the future. This is a mobility choice, but it is also a societal choice. ★

# A balanced approach

MEPs need to address the environmental, economic and social impacts of indirect land use change, argues **Kriton Arsenis**

**T**he European commission's long-awaited proposal addressing the impacts of indirect land use change related to the use of biofuels in the EU is finally under the legislative procedure. The proposal amends two key directives of the EU climate policy, namely the renewable energy directive (RED) and the fuel quality directive, and constitutes an historic opportunity for the EU to tackle what has been the most sensitive issue concerning the use of biofuels for years now, and to ensure that emission savings from the use of biofuels are real.

For this to be done one should examine the whole life cycle of biofuel production, including production inputs such as fertilisers, pesticides, harvesting technology, machinery and electricity, as well as the land use changes which occur. It only seems logical to claim that when a forested area is deforested with the purpose of producing biofuels, the emissions generated should be taken into account.

It is true however that the expansion of biofuels can also result in so-called indirect land use changes. These occur when the increased demand for biofuels displaces agricultural activities and exerts pressure on the land. Due to the growing population and the increasing need for food, agricultural land previously used for food production is now often displaced in fragile ecosystems, such as peatlands, forests and grasslands. This results in substantial losses of biodiversity and increased greenhouse gas emissions, as well as land-grabbing incidents, the negatives of which we wholly need to take into account.

The expansion of biofuels is a clear example involving conservation and development trade-offs. On the one hand, biofuels may generate cleaner energy compared to fossil fuels and thus contribute less towards global warming. On the other hand, enhancing the areas planted with crops suitable for biofuel

production could displace other agricultural activities and increase the pressure on carbon rich areas. It is therefore evident that the European parliament should take a balanced approach and address all three aspects of the issue, the environmental, the economic and the social.

The current EU policy mandates and promotes the use of biofuels in the EU through the 10 per cent RED target, based upon which renewable sources' stake in transport should be at least 10 per cent by 2020. This induced increase in demand for biofuels has exponentially increased EU imports of vegetable oils used in biofuel production, such as palm oil and rapeseed, particularly from rich forested developing countries like Malaysia or Indonesia. For such a target to work, we should, however, first make sure that biofuels are a clean source of energy and, if not, we should make a clear distinction between good and bad biofuels. This proposal is our chance to do so, and the European parliament should not miss it. The world is watching. ★

Kriton Arsenis is parliament's S&D group shadow rapporteur for greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry: accounting rules and action plans

*"The expansion of biofuels is a clear example involving conservation and development trade-offs"*



# Fuel for thought

The fuel quality directive has raised many issues and is the source of much debate in the industry. **Kayleigh Lewis** reports

**T**he fuel quality directive and its implications on trade and politics were the subject of a lively event in parliament organised by the ALDE group and chaired by Brian Johnson, editor of *The Parliament Magazine*.

The directive represents a key part of the 2020 climate and energy package and requires a reduction of the greenhouse gas intensity of the fuels used in vehicles. The real strength of the law, according to Jos Dings, director of Transport & Environment – a green transport policy NGO – is that it gives fuel suppliers a choice on how to achieve this target, “through blending in low-carbon biofuels, reducing flaring and venting, or refraining from high-carbon unconventional fuel sources, or cleaning up such sources”, making it a “cost effective tool for fighting climate change”.

However, German MEP Silvana Koch-Mehrin, who hosted the event, said that legislation that has implications for trade should take into consideration the impact on the EU’s imports and exports. While, climate action commissioner Connie Hedegaard stressed that modern trade agreements should not contradict environmental concerns, adding, “Trade must not be used as an excuse to prevent environmental progress. Modern trade agreements should be able to accommodate this and take care that we are not using trade agreements to lower standards.”

The commissioner said that the core purpose of the directive is to reduce carbon emissions from transport by six per cent, with intermediate indicative targets of two per cent by 2014 and four per cent by 2017. If the EU wants to meet its targets, she said, then there will have to be “major changes” to all areas of the economy, including transport.

In recognising that the directive and the grading of fuels could have consequences for certain industries, she said that there will be an impact assessment and a stakeholder conference to look at its impacts. Hedegaard said that although trade and politics had to be taken into account, it doesn’t mean that fuel can’t be assessed according to its “real impact”.

However, Jeffrey Sundquist, special envoy of Alberta to the UK and EU and a panellist at the event, had reservations about the commission’s impact assessment. He said, “It is not

clear to us that the impact assessment is properly evaluating trade implications. Unnecessarily interrupting the efficient flow of the market will disadvantage existing suppliers, create fuel shuffling which could potentially drive higher global emissions.” He also highlighted the need for a policy that calls for more transparency from those who provide fuel to the EU and that the highest default values should be given to those suppliers who are not transparent on their greenhouse gas emissions.

The Danish official responded to criticism about the commission’s impact assessment by asking the industry to wait for its findings before jumping to conclusions. She added that the commission is not looking to “punish” single products but instead assess the environmental impact of different fuels.

Dings told *The Parliament Magazine*, “As far as the legislative process is concerned, the higher ‘default’ carbon values for conventional and unconventional fuel sources have been peer reviewed and discussed countless times in meetings”. Adding, “Countries that have good administrative systems in place can benefit from the law because they will be able to demonstrate effectively when their products are better than the default value, giving them a competitive advantage.”

ALDE MEP Holger Kraemer, who attended the event, said that the question of fuels from “unconventional sources” is of growing importance. He said, “If the commission wants to build ‘green-fence lines’ around Europe, it should make a co-decision proposal and not seek to use comitology to do this.” Koch-Mehrin, meanwhile, suggested that, although she welcomed the impact assessment and stakeholder conference, she felt that possible legal consequences should be taken into account.

The German MEP said that she, along with other MEPs,





### A reality check

While discussions on the implementing measures for the fuel quality directive are ongoing, a reality check about the proposal's wider implications on trade and geopolitics is seriously required.

In the impact assessment currently ongoing, DG Clima asked to assess the methodology used to calculate the lifecycle greenhouse gas intensity of fossil fuels and its possible impact on competitiveness and the administrative burden.

Once more, however, the impact assessment does not look into the legal implications of the proposal, in particular as regards compatibility with World Trade Organisation (WTO) rules.

These state that, first there may be no discrimination of like-products which are essentially used for the same purpose and which have essentially the same physical properties; and second, that legislation impacting trade needs to be proportionate in that the measures proposed, while achieving their desired benefits, have the least trade-restrictive impact possible.

DG Clima's current legal assessment stands on thin ice. It consists merely of an informal one-pager, while in the meantime, trade law practitioners and academics have drawn up a number of articles and legal opinions, pointing at the possible inconsistencies of the proposal with WTO rules. However, the commission does not seem to be concerned, despite the fact that Canada, as one of the parties negatively affected by the fuel quality directive, has already announced that it will challenge the measures at the WTO for its trade distorting effects.

It is time for the commission to rethink the criteria of their impact assessments and categorically check legislative proposals on their trade impact.

*Silvana Koch-Mehrin*

had called for a legal assessment on the trade aspects of the directive. She also drew attention to the level of corruption

in energy producing countries, particularly those which the EU heavily relies on for energy imports.

EPP deputy Peter Štastný argued that reductions in CO<sub>2</sub> output will create additional costs and could lead to the EU purchasing only from corrupt states. But Dings said, "The idea that there would be a trade-off between environmental and security concerns is a real fallacy. The reality is that reserves of both regular and unconventional, high carbon oil are scattered across the globe. Europe's supplies of regular crude come from many countries including Norway, the UK and Denmark. And besides", he added, "let's hope that Europe does not build its energy future on an energy source that requires a barrel of oil of energy input to produce three barrels of output, as is the case for tar sands."

Hedegaard concluded that the directive could contribute to sustainable growth and job creation while reducing the EU's trade imbalance and reliance on energy imports from countries outside the bloc.★

*"Trade must not be used as an excuse to prevent environmental progress"*

*Connie Hedegaard*

To watch the video of the event go to [www.theparliament.com/video/](http://www.theparliament.com/video/)

# European FP7 UFO Project Ultra-Fast wind sensOrs for wake-vortex hazards mitigation

Frédéric Barbaresco, Fabrice Orlandi & Philippe Juge,  
Thales Air Systems, Limours, France

The UFO project aims at ensuring aviation safety at current high standards or even better, regardless of air transport growth, through Wake-Vortex Advisory Systems improvement, in connection with SESAR P12.2.2 project. UFO research works will address a wide range of innovative technologies through studies of new Ultra Fast Lidar/Radar Wind & EDR (Eddy Dissipation Rate for turbulence) monitoring sensors, usable for Wake-Vortex Hazards Mitigation, but also for severe Cross-Wind, Air Turbulence and Wind-Shear.

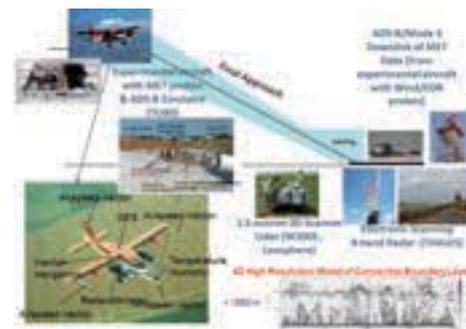
Constrained by high update rate and accuracy requirements needed for wind measurements, 2D electronic scanning antenna technology based on low cost tile will be explored for X-band radar through a development of a tile mock up as well as a new high power laser source of 1.5 micron Lidar 3D scanner with higher power.

In addition, new design tools will be developed through simulators, able to couple Atmosphere models with

Electromagnetic, Radar and LIDAR models. In parallel, advanced Doppler signal processing algorithm will be developed and tested for 3D wind field and EDR monitoring, including the algorithm for the resources management of the different sensors. Comparison with already existing sensors as C band meteorological radar and S band ATC radar, but also ADS-B Downlink will be studied.

Calibration of the ground sensors (Lidar, X band radar, C band radar with ADS-B datalink) and the simulators will be achieved through a set of experimental trials on Munich and Toulouse Airports. In Toulouse, an aircraft equipped with airborne probes will enable in situ comparison and ADS-B Downlink of Wind/EDR data.

Coordination with SESAR, through Eurocontrol, as associated partner, Munich airport as End user in the UFO steering committee, will be favored. DGAC/STAC will be in charge of contacts with ICAO WTG, and AESA for Safety rules.



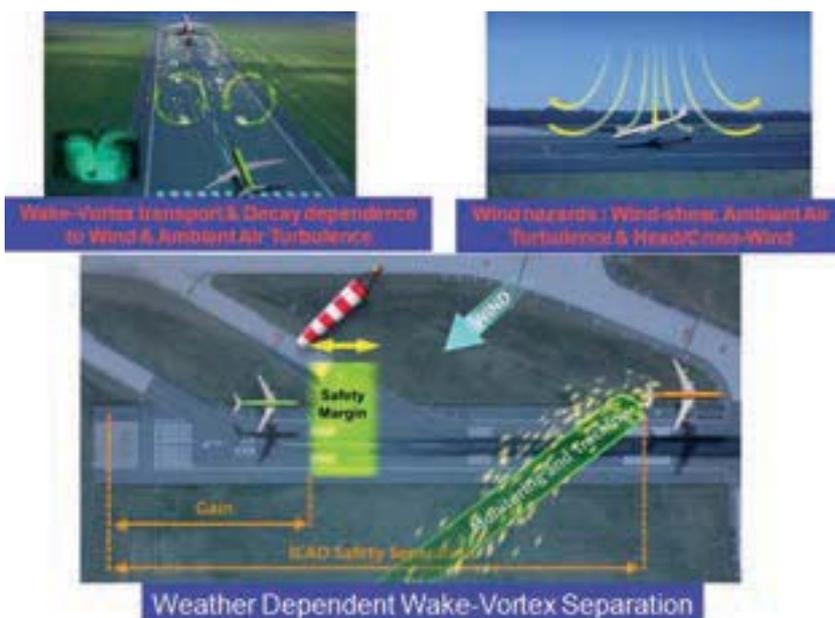
**The team is composed of the main experts in Europe of the domain:**

2 large companies (Thales Air Systems, Thales Airborne Systems), 4 universities (Université Catholique de Louvain, TU Braunschweig, TU Delft, Université Pierre & Marie Curie), 1 SME (Leosphere), 3 governmental research labs (DLR, ONERA, NLR) and 2 MET Offices (DWD, KNMI),

with following associated partners: EUROCONTROL, Munich Airport, Météo-France, DGAC/STAC and French-German Saint-Louis Institute.

Official EC website (Transport Research & Innovation Portal) for UFO  
Web: [http://www.transport-research.info/web/projects/project\\_details.cfm?ID=45116](http://www.transport-research.info/web/projects/project_details.cfm?ID=45116)

Official EC website (CORDIS Portal) for UFO  
Web: [http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ\\_RCN=13112068](http://cordis.europa.eu/search/index.cfm?fuseaction=proj.document&PJ_RCN=13112068)



# Clear skies ahead?

Without a safe, efficient and modern airspace management programme, the EU risks falling behind its international competitors, argues **Jacqueline Foster**

**M**ore than 10 years ago I worked on the original single European sky legislation (SES). With more than 20 years experience in the aviation industry, I am all too aware of the challenges faced by the sector in a rapidly changing global market. It is important that we strive to support this sector by giving it the best possible tools it needs to compete on a global scale, allowing European air carriers to maintain their market share.

In 2012, I drafted an 'own initiative report' to address the lack of progress made on the implementation of this legislation, bringing together all the interested parties, from manufacturers to airlines, Eurocontrol to air navigations service providers. It was vital that the commission and the member states took action before the skies above Europe had ground to a halt due to congestion caused by lack of political will.

The SES legislation set out to ensure the safe and efficient use of European airspace, driven by the requirements of the airspace user and the need to provide for ever increasing air traffic, not only within the 27 member states but also

throughout the European common aviation area. European airspace is among the busiest in the world, but the current air traffic management system is extremely inefficient, with the management of airspace largely reflecting national borders. Significant areas are reserved for military use – even when this is not required – forcing civilian aircraft to fly longer, more indirect, routes. Unfortunately, the creation of functional airspace blocks (FABs) is well behind schedule and only two of the nine sectors, UK and Ireland and the Danish-Swedish FAB, are operational. The remaining member states have missed the deadline of December 2012 by a mile. This is totally unacceptable.

Member states have been committed to these changes for at least 10 years and they knew what would be required to achieve the SES. We simply cannot allow the vested interests of some to hold up progress, while we continue to lose business to emerging economies.

While the restructuring of airspace is one important aspect of the SES, another is the single European sky air traffic management research (SESAR), the project intended to bring air





Jacqueline Foster was parliament's rapporteur for the implementation of the single European sky legislation

traffic management, including ground-to-air communication, fully into the 21st century. While European airspace is among the safest in the world, the technology used to manage it has changed little since the second world war. With ever greater traffic flows comes the need for more advanced technology. While our global competitors push ahead with their own ideas, we must

*“European airspace is among the busiest in the world, but the current air traffic management system is extremely inefficient, with the management of airspace largely reflecting national borders”*

ensure that we move forward with ours. It is essential that systems are interoperable so that we can sell them worldwide, maintaining our competitive edge and increasing our market share. It is now time to move from the development phase to the deployment phase of the SESAR programme.

Working towards SES II+ provides an opportunity to clarify the scope and tasks of the supporting EU organisations to avoid duplication and ensure an efficient streamlined engagement with all relevant stakeholders. There must be a call for greater urgency in order to avoid possible safety or operational risks. The benefits of the full and timely implementation of the SES are clear, creating jobs, reducing the environmental impact in a sector that continues to grow, ultimately making air traffic more efficient, reducing costs to the consumer and allowing more effective competition with our global competitors. These positive effects will be seen across all member states, extending through the entire supply chain, including manufacturers, airlines, SMEs and into sectors such as tourism. This is simply good business.

While we can address many issues through this regulation and make airspace more efficient there is one other factor that must be addressed. The construction of physical infrastructure, such as more runways, is key to the growth and competitiveness of the industry. It is no use complaining about losing business to the Middle-East and Asia while we sit arguing. Unless we deal with this issue soon, no matter how much capacity there is in the skies, the lack of capacity on the ground will cripple the industry, causing a dramatic loss of business.

My report sent out a clear wake up call from the parliament to the commission and the member states. Clearly we must push ahead with a full and timely implementation of the single European sky. It is good for the people of Europe, good for growth and good for business. In short, the member states need to wake up and smell the coffee. ★

# SESAR: The Technological Arm of the Single European Sky

## Today's Partners for Tomorrow's Aviation

**W**e are all aware of the distressing figures surrounding Europe's economic and social crisis, however, few are aware that one of Europe's most ambitious research and development projects is striving to benefit the EU-27 GDP by €400 billion by 2030 and in doing so, will also create an estimated 328,000 additional jobs. The engine for achieving these results is the SESAR (Single European Sky Air Traffic Management (ATM) Research) programme, co-founded by the European Commission and Eurocontrol.

SESAR came to life on the recognition of serious inadequacies with current air traffic management system. Today, the shortcomings of the European ATM system today are estimated to cost some €4 billion annually. Without a radical change in the way air transport is managed in future, flying in Europe will reach its limits, leading to more delays for passengers, increased costs for airlines and higher CO<sub>2</sub> emissions. Under the umbrella of SESAR, around 3,000 experts in Europe and beyond are working together on more than 300 interdependent projects to bring ATM technology up to 21st century standards.

However, SESAR is not just another classical European research project, as the technological pillar of Europe's ambitious



**Patrick Ky**, Executive Director SESAR Joint Undertaking, speaking at the World ATM Conference in February 2013: *"SESAR can no longer be ignored. We have created the change in European ATM that demonstrates our ability to deliver benefits to the community."*

Single European Sky initiative, the programme has set ambitious performance targets by 2020:

- (1) A 27% increase in Europe's airspace capacity;
- (2) A 40% reduction in accident risk per flight hour;
- (3) A 2.8% reduction per flight in environmental impact; and
- (4) A 6% reduction in cost per flight.

The ground-breaking characteristic of SESAR concerns its innovation through partnership approach. SESAR's innovative technologies and procedures are directly verified in an operational environment and are prepared for deployment by the leading European airlines. More significantly, the programme represents the first time that all aviation stakeholders are working in a true partnership on a coordinated approach of the entire air traffic management system.

Since its creation in 2007, SESAR has already delivered a number of impressive results. For example, a project aimed at optimising the management of flight arrivals at London Heathrow airport, achieved a **reduction in stack holding time by 4.8 minutes per flight**. This is a significant result given the associated **fuel savings of around 10% per flight** and efficiencies related cost and environmental impact.

*"SESAR and the Single European Sky are prerequisites for the prosperity and the competitiveness of the European Union. If we don't do something, costs will go into billions."*

**Matthew Baldwin**,  
Director Air Transport Directorate,  
European Commission

In terms of managing airport ground traffic, SESAR and its partners have been busy working on a solution for improving the pre-departure sequence at Paris Charles de Gaulle airport. So far, trial results indicate around a **10% reduction in taxi time** and an average of **20% reduction in waiting time** at the runway threshold during peak hours.

These are only a few examples of the impressive results that SESAR has achieved to date. The programme still has a long way to go but our results are clearly already paving the way to ensure that Europe's Single Sky remains a world-class leader in bringing the aviation solutions of tomorrow!

*"A globally coordinated approach is needed to ensure that the new technologies are interoperable worldwide. I therefore call on the Member States to continue their support of SESAR and the legislation. I certainly will do my best in the European Parliament and the appropriate committees to drive SESAR and the unified sky forward."*

**Jacqueline Foster**,  
MEP and Spokesperson on the  
Transport & Tourism Committee



For more information on SESAR,  
visit [www.sesarju.eu](http://www.sesarju.eu) or contact  
[communications@sesarju.eu](mailto:communications@sesarju.eu).



**Frank Brenner,**  
**Director General**  
**of EUROCONTROL**

# Delivering improved performance

It is now a decade since the European Commission launched the Single European Sky (SES) Programme. Last October Siim Kallas (Vice President and Commissioner for Transport) gave a speech entitled “Ten years on and still not delivering”. He described how the Single European Sky is not delivering on performance – in particular, on cost-efficiency, where in Europe the air navigation cost per controlled hour for aircraft is still, on average, about twice that in the United States.

There are, of course, well known reasons for this disparity in cost. Europe consists of sovereign States resulting in a highly fragmented Air Traffic Management (ATM) system with almost every country running its own Air Navigation Service Organisation, its own ATM systems, its own weather service, its own ATM supervisory structure and so on. In order to address this issue, the Commission has driven the creation of Functional Airspace Blocks (FABs). Nine of these, covering Europe are now in existence but, so far, they are not delivering the scale of operational benefits that are so clearly needed.

There is also light at the end of the tunnel. With the implementation of the Performance Scheme, binding national and, in future, FAB targets have been set that ask the question as to whether we can all together continue with business as usual. As a consequence, resources are tight – particularly as the traffic in recent years has, at best, stagnated. Traffic actually fell in 2012 by 2.4% and we’re expected a further 1.3% decline this year before growth returns.

A positive development is the appointment of a Network Manager. EUROCONTROL took on this role in 2011 and has made real progress in harmonising

route planning, reducing delays and making flights more efficient. This work continues with the recent publication of the Network Strategy Plan, which will help drive forward the development of European ATM.

One idea under discussion with the European Commission is the development of centralised services, as part of the deployment of the ideas that have come out of the SES research programme – SESAR. Here the concept is to look at the new SESAR projects and to assess whether it makes more sense to implement them at a local or national level, or at the regional level of FABs, or on a pan-European basis. After all, if we can stop having duplicate systems in every one of EUROCONTROL’s 39 Member States (soon to be 40 with the accession of Georgia) then we can save money and generate additional benefits in terms of greater reliability, improved consistency and enhanced interoperability.

So far, we have identified about ten projects that are natural candidates to be these new centralised services. They typically involve handling data and range from a service for trajectory planning in four dimensions, to support for an improved and pan-European approach for effectively sharing airspace

between civil and military traffic. We estimate that using these centralised services could save from €150 to 200 million annually, as well as providing a more efficient service to airspace users.

These services would be put out to tender, thus opening the ATM-market, enabling ANSPs to take part and encouraging them to provide services outside their national borders. Following the successful model already in use for services such as the European Aeronautical Information Database (EAD), EUROCONTROL, as an impartial, pan-European body, could manage the new centralised services, thus providing the central coordination and the link to the Network Manager required.

Centralised services represent a valuable step forward in improving our cost-efficiency, starting to tackle the underlying issue of fragmentation and implementing market mechanisms into the ATM services. ■



# Sky's the limit



Europe must manage its airspace access more efficiently if it wants to fully unlock the potential of the single European sky, warns **Jacek Krawczyk**

**T**he deadline for creating nine cross-border functional airspace blocks (FABs) was 4 December 2012, which intended to replace the current 27 separate national air traffic control areas, thus finally opening the door to a single European airspace. However, only two of these are up and running in a truly operational sense, the Danish-Swedish and British-Irish airspaces.

Failure by the remaining member states to meet their earlier commitments prevented 4 December from becoming a milestone in the battle for a competitive European civil aviation sector. According to international air transport association (IATA) figures, European flights were delayed by a total of 18 million minutes in 2011, and the cost of inefficiency due to non-implementation of the single European sky amounted to €3.7bn. IATA estimates that unless the system is modernised, the percentage of delayed flights will increase to 20 per cent by 2020. Plans to create a single airspace have reached a deadlock, having been held hostage by narrow interest groups making profits from airline traffic.

The European commission has at last decided to bring

infringement proceedings against member states which failed to implement the proposal within the deadlines agreed earlier. This decision was announced by European transport commissioner Siim Kallas at the November aviation summit in Limassol, Cyprus. It seems that the European commission has finally realised that this key aviation project is indispensable for a smoothly functioning internal market, and it has therefore finally decided to effectively support the enforcement of its own legislation, using a method which has proven successful for many years in obliging EU member states to respect the four basic freedoms of the European market.

I believe that the approach of taking action and finding pragmatic solutions used to build and monitor the EU internal market should be applied to force through the changes which European aviation markets urgently need.

The second EU aviation package, known as single European sky (SES) II, was put forward in 2009, with the intention of bringing much-needed defragmentation, competition and market orientation to the entire European civil aviation value chain. It has, however, so far failed to achieve this. What has



happened instead is the very uneven liberalisation of the different parts of the value chain: most of the former state-owned airlines have been privatised, whereas the remaining links in the chain such as air navigation service providers and airports have become de facto monopolies developing and maintaining their positions thanks to the traffic generated by airlines. Over the last few years, European airlines have experienced the worst international crisis since the second world war: some have gone bankrupt, others are in serious trouble at the moment. And yet over the same period, many European airports and navigation service providers have put up their charges several times.

According to figures from the airline Ryanair, presented at a recent conference organised by the European economic and social committee, 60,000 flights were cancelled in 2011 by air traffic controllers, in many cases due to strikes. However, it was the airlines that were held responsible for compensating stranded passengers for these cancellations. The association of European airlines estimates the average operating profits of European airlines over a 10-year period to be just 1.4 per cent. This compares to 18.3 per cent and 15.1 per cent respectively for airports and air navigation service providers.

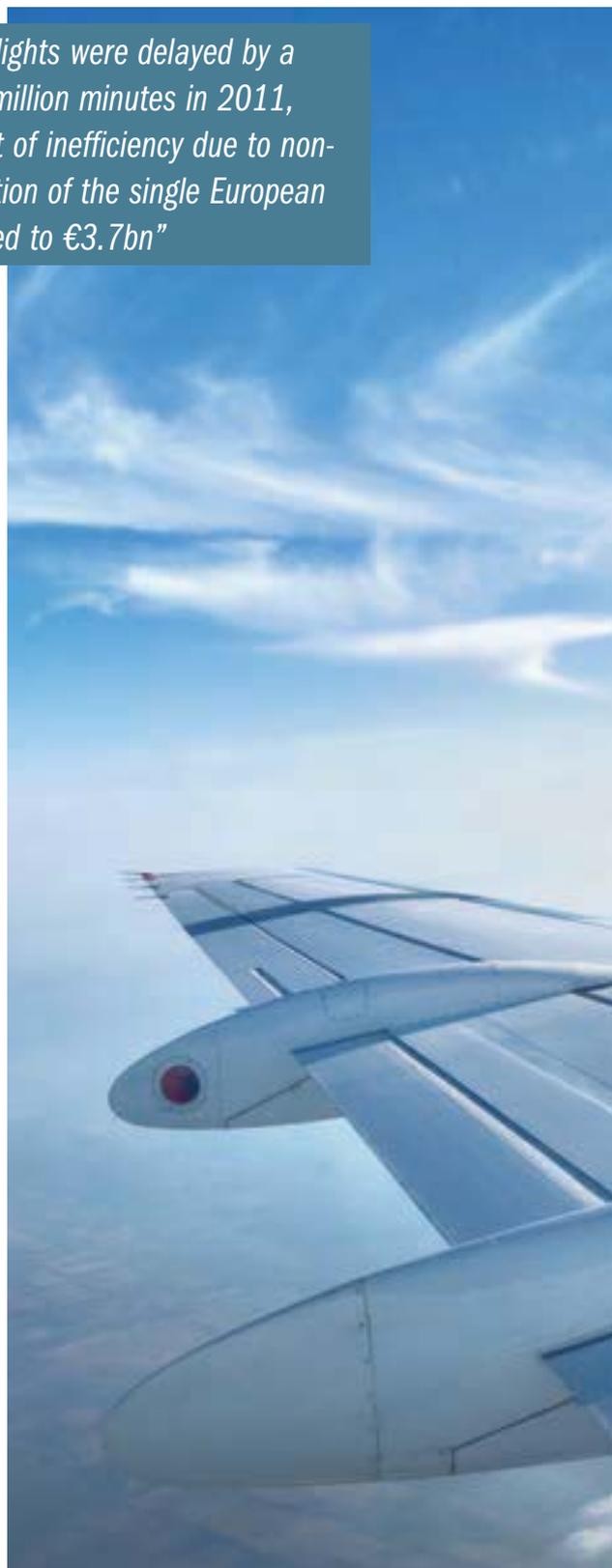
In Portugal, recent tender procedures for airport privatisation attracted enormous interest from investors, in contrast to one single company expressing interest in the privatisation of Portuguese carrier TAP. This example shows clearly which areas investors see as profitable. Given that the European Union has successfully limited roaming charges in Europe without disrupting the market, I think it makes sense to apply a similar approach to air traffic charges.

The wide range of navigational charges in Europe also suggests that there is significant potential for lower charges through closer coordination and standardisation in EU air traffic services. In the EU, we have around 800,000 passengers and some 14,000 air traffic controllers. Passengers rightly expect the entire aviation value chain to work smoothly, and they disagree with parts of the value chain being sacrificed to others for the sake of narrow corporate interests.

The forecasts for the development of the European aviation sector are optimistic: it is estimated that air traffic could double by 2020. However, unless we manage airspace access more efficiently as envisaged by SES II, we will not be able to fully unlock this potential. My plea to all SES actors is clear: let us finally choose a full value chain perspective and let us be united in tearing down the remaining walls of self-interest and short-mindedness that are the real stumbling blocks hindering the success of this crucial European integration project. ★

*“European flights were delayed by a total of 18 million minutes in 2011, and the cost of inefficiency due to non-implementation of the single European sky amounted to €3.7bn”*

Jacek Krawczyk is a vice-president of the European economic and social committee (EESC) and rapporteur for the EESC opinion on the European commission's single European sky II



**CROWNE PLAZA**  
BRUSSELS - LE PALACE

# Make a green choice

Book Belgium's first  
Green Globe certified hotel!

Daily delegate rate  
as of € 69 p.p.

Crowne Plaza Brussels - Le Palace  
Rue Gineste 3  
B-1210 Brussels - Belgium  
T: +32 (0)2 274 56 88  
reservations@cpbal.be  
www.crowneplazabrussels.be

## Best practise takes to the skies

**Could European air traffic controllers manage more flights with the help of modern productivity gains? As the largest independent research organisation in Scandinavia we are now helping to find an answer to that question.**

Project web-site: <http://www.hala-sesar.net/zefmap>



Technology for a better society  
[www.sintef.com](http://www.sintef.com)

In partnership with the Austrian company Frequentis, we have won European funding to find out whether productivity in airport control towers can be improved via approaches that have revolutionised other industries, such as car factories and banking.

Frequentis is a leading global supplier of communication and information solutions for safety-critical applications, while SINTEF is Norway's largest contract research organisation. The project is being funded as part of SESAR WP E, a programme managed by EUROCONTROL. We believe that the results of the project will be useful for improving ATM processes and for the development of automated tools for use in ATM control rooms.





# JUST DOING IT

**For more than a decade, Naviair, Denmark and LFV, Sweden, have worked together to harmonise ATM.**

**In 2009, the governments in Sweden and Denmark declared the merger of the Danish and Swedish airspace into the DK-SE FAB. That same year, LFV and Naviair established the jointly held company NUAC.**

Since 2012, NUAC has operated the three control centres in Copenhagen, Malmö and Stockholm. On behalf of LFV and Naviair, NUAC has provided an efficient, coordinated operation of the en route-traffic in the joint Danish-Swedish airspace.

**”Reduce costs on en route traffic control in Denmark and Sweden by at least EUR 13 million annually...**

the personnel are seconded from the parent companies, as are buildings and technical equipment.

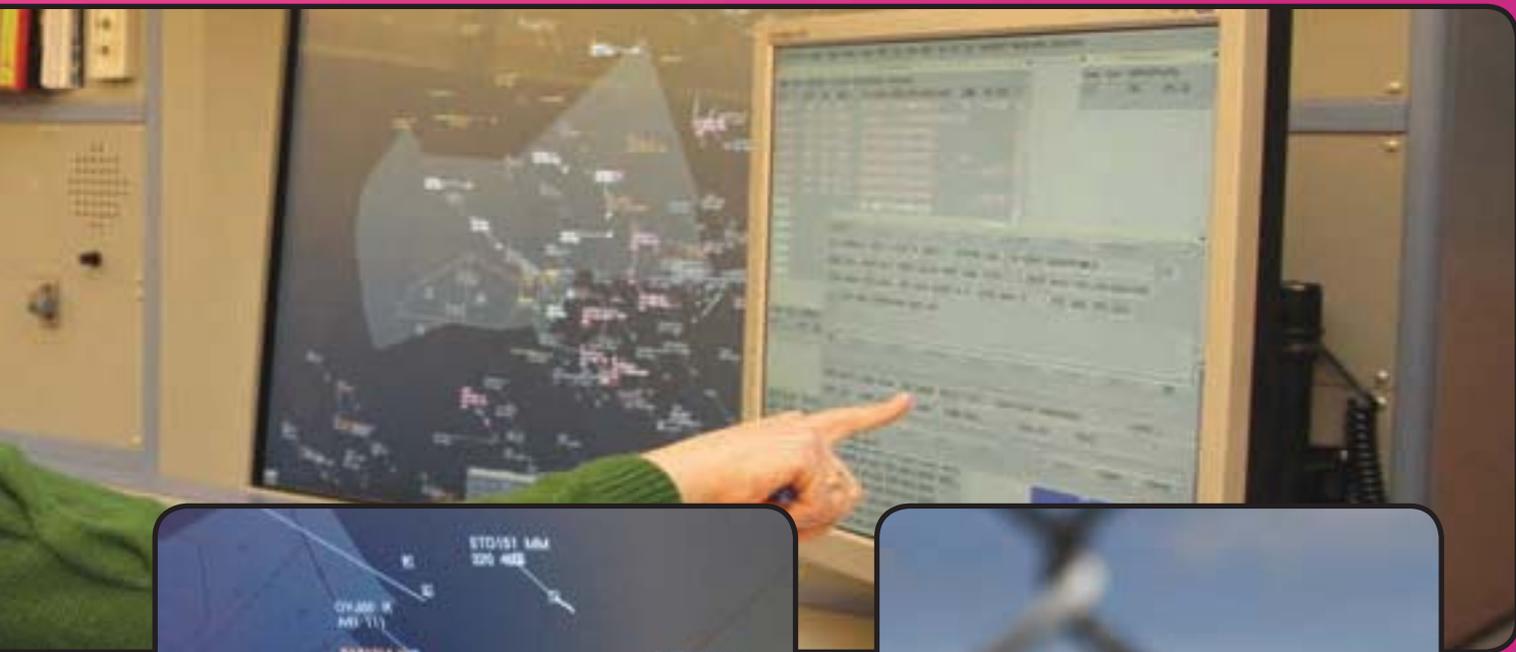
Our objective is to harmonise and streamline as much as possible, as soon as possible and at the same time maintain the high safety level, regularity and capacity. We have outlined tangible, clear and ambitious objectives.

## **Before 2015, NUAC must:**

- Reduce costs on en route traffic control in Denmark and Sweden by at least EUR 13 million annually
- Reduce CO<sub>2</sub>-emission from en route-traffic in Danish-Swedish airspace by at least 52,000 tons annually
- Streamline at all times the air traffic management to the benefit of our customers, the airlines

Through our initiatives we ensure the airlines an implicit cost reduction through less fuel consumption and flight hours.





In 2011 the air traffic management was streamlined through implementation of Free Route Airspace in the Danish-Swedish airspace. Now the airlines are free to select entry and exit points and to schedule the shortest possible route through our airspace. Concurrently, we have established a cooperation with the ANSP's in Norway, Finland, Latvia and Estonia to utilise our experiences from the efforts to expand Free Route Airspace to include the entire Nordic area.

*LFV and Naviair also work to harmonise, reduce costs and streamline a number of other areas as well. Through a number of years we have harmonised our technical equipment in cooperation with IAA, Austro Control, Croatia Control and Thales within the COOPANS-alliance. Due to this cooperation, the control centres in Denmark, Sweden, Ireland and Austria already today are based on the same software and harmonised technical solutions.*

*Since 2005 we have furthermore worked with Avinor to harmonise ATC-training at our jointly held ATM academy, Entry Point North.*

**Would you like to know more?**



[www.lfv.se](http://www.lfv.se)

Mr. Carl Selling  
Director of Communications  
[carl.selling@lfv.se](mailto:carl.selling@lfv.se)  
M +46 733 52 09 08



[www.naviair.dk](http://www.naviair.dk)

Mr. Bo Pedersen  
Director of Communications, Public Affairs & CSR  
[bop@naviair.dk](mailto:bop@naviair.dk)  
M +45 2026 5310

# A state of uncertainty?

The EU will have to overcome conflicting interests if it is to unify Europe's airspace, writes **Spyros Danellis**

**E**U member states have dragged their feet for almost 10 years on the plan to unify European airspace that promises to make aviation safer, cleaner, cheaper and better at handling crises that frustrate passengers like the one caused by the eruption of the Icelandic volcano in 2010. However, it was the council of ministers that first mandated the commission to seek ways to integrate air traffic control, after flight delays reached record levels in 1999. In fact, despite the political inertia observed in EU capitals over the single European sky (SES), member states remain well aware of the pressing arguments for it: ever increasing traffic that keeps pushing the capacity limits of a decades-old system, meaning 20 per cent of flights will be delayed by 2020; a fragmented airspace that relies on 38 national providers forces aircraft to fly an average 49km more than necessary per flight, wasting 8.1 million tonnes of CO<sub>2</sub> in 2011; and unnecessarily high air navigation costs that burden passengers and the European economy.

What is more, the state of uncertainty over the single European sky comes at a time that finds European airlines in dire straits. In 2012 alone, two major carriers, Spain's Spanair and Hungary's Malev, declared bankruptcy and 2013 looks like it will be the second year in which European airlines barely manage to break even. Analysts are already talking about a prolonged consolidation period that could see the number of major carriers cut down to four or five, which would mean thousands of job losses. Meanwhile, Asian and Gulf airlines are racing ahead in the global aviation market, with a constantly expanding list of destinations and with record new aircraft orders: for example UAE's Emirates has ordered 90 of Airbus's flagship A380 aircraft, whereas British Airways and Air France-KLM have asked for just 12 each.

Of course the news is not all bad. Air traffic control in Europe may be plagued by inefficiencies but the necessary institutions of the single sky era have been put into place. These were set up

through the two legislative packages (SES I in 2004 and SES II in 2009) and include the national air navigation supervisory authorities, the network manager (Eurocontrol), and the single sky committee. Even functional airspace blocks (FAB), regional sections of European airspace made up of groupings of member states, are now at least formally in existence.

Likewise, the single European sky's research arm known as SESAR is advancing a technological overhaul of aviation with tools like 4D trajectories and remote air traffic control tower operation that promise to revolutionise EU aviation. What is expected of all these initiatives is to finally begin to deliver concrete results for aviation, and ultimately for passengers.

And this is precisely the intended effect of the European commission's forthcoming legislative package known as SES II+. It will attempt to reinforce the independence of the national supervisory authorities, to allow for the setting of more ambitious performance targets, to unbundle so-called ancillary services like meteorology and subject them to public procurement rules, and to reassess FAB architecture for swifter performance improvements. There is little doubt that the





*“No adjustment to the legal framework can act as a substitute for the political determination to make the single sky a reality”*

newest round of SES reform is well-intended and pointed in the right direction. It is a known fact, for example, and one emphasised by the European parliament, that the independence of supervisory authorities is crucial and needs to be enforced. A supervisory authority in a cosy relationship with a service provider jeopardises not only efficiency, but also safety. The need for enforcement is equally pertinent when it comes to performance targets: it was, and remains, the duty of the commission to reject any national performance plan (planned improvements in cost, safety, efficiency) that is not in line with EU-wide targets.

Nevertheless, no adjustment to the legal framework can act as a substitute for the political determination to make the single sky a reality. But that determination is currently in

short supply. Like in the case of mobile roaming charges, the EU will have to overcome strong particular interests in favour of the greater good.

Unfortunately, this cannot be achieved through successive rounds of legislative tweaking alone, as national capitals have amply demonstrated their reluctance to fully implement the legislation. Besides, the need for a third package is testament to the failure of member states to deliver on the commitments they have already made. It is time for defendants of the project, itself a symbol of European integration, to speak of the political urgency of overturning Europe’s patchwork system of airspace management. ★

Spyros Danellis is a member of parliament’s transport and tourism committee

# Flying solo

Commission proposals should focus on building the single European sky directly and forget about functional airspace blocks, argues **Marian-Jean Marinescu**

It has already been five years since the second legislative package related to the single European sky (SES) entered in force. A lot of progress was expected in the implementation of SES, but too little happened

Last December, member states failed to fulfil the deadline imposed by the regulations to establish functional airspace blocs (FABs). There were steps forward, but progress was very slow, with a lot of bureaucracy and many agreements proposed for completion. There is no chance of seeing one single FAB working under the conditions decided by the regulations in the near future.

The commission could start the procedure of infringement, but I don't think this would bring benefits for the final purpose of the SES. It is clear that there are a lot of persons and sectors that do not like the concept of SES because of social or political reasons. My opinion is that the FABs are not necessary. If we really want to complete the SES, we can do it in six months, but only with political will and technical involvement. For this we will need a top-down approach.

The performance scheme, the second most important factor for SES implementation, is in danger of being delayed and weakened as a tool to provide efficiency in the industry. Member states decided their own national targets, but we cannot be sure that these will contribute to reaching the European targets. The performance body should find a common interpretation of the demands in order for there to be a similar application at national level.

The European aviation safety agency is facing budget issues. It performed an inspection of the national supervisory authorities and I consider the independence, impartiality and transparency of these national institutions to be very important for the future of SES.

We cannot speak about extension to third countries as long as the SES does not exist. The single European air traffic management infrastructure (SESAR) is ready for deployment in the very near future. It will be a waste of money and time to perform the deployment on the actual configuration of routes and air traffic management.

There are discussions about the future actions: infringements or new legislation?

I think we need new legislation, based on a top down approach. The commission announced that they will announce a new proposal this spring, a SES II+. To be successful this proposal should define very clear paths to implement SES, including stepping over the FABs concept. The new proposal must include the strengthening of the performance scheme. The commission should receive the necessary instruments to oblige member states to reach targets and provide the independence of the performance review body.

There are no functional FABs. If we keep the same approach it will take a lot of time until member states agree to complete the FABs and, afterwards, a lot of time to unify the FABs in one single block. The commission should propose measures to forget about FABs and build the SES directly.

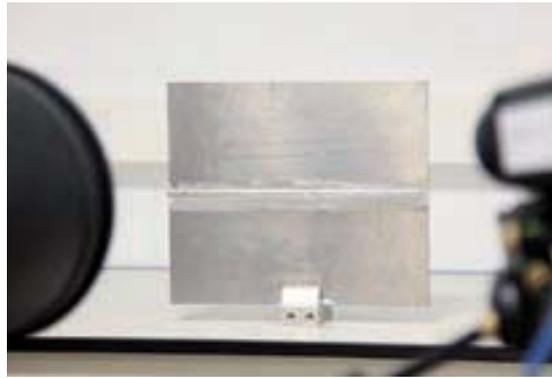
There are other aspects which should be referred to in SES II+, including power for network managing with regards to airspace design and route planning. The proposal must propose measures to be harmonised with the deployment of SESAR for efficiency and to save money.

I think that the single European sky is too important to be allowed to fail, and I am looking forward for an ambitious commission proposal. ★

Marian-Jean Marinescu is a member of parliament's transport and tourism committee



## ENABLING THE INTRODUCTION OF FUTURE GREEN ENGINES



Nowadays, the widespread of ICTs (Information and Communication Technologies) has reduced drastically the human errors in aviation. Therefore, one of the main focus of safety in the future will be related to defects on parts of the plane fuselage and engines. Undetected flaws under those parts can result in fatal consequences.

In **production** Non Destructive Tests (NDTs) are necessary in order to inspect every single welded part, avoiding statistical approaches, in accordance to the "zero defects and zero failures" policy. On the other hand, during aircraft engine's life some factors (fatigue, stress, wear, extreme temperature changes, cycles, etc.) can affect the integrity of different parts, it being the rotating components the most affected by those factors. Therefore, in order to ensure the engine life and flight safety, **regular inspections of engine welded parts** are crucial.

Currently, traditional methods as Visual Inspection methods, Fluorescent Penetrant Inspection and Radiography are being used for aero-engine welded parts testing.

Aeronautic industry is working in the development of novel greener engine architectures. GKN Aerospace is involved in Open Rotor Engine demonstrator that expects to have a first prototype in 2015. Due to the geometry complexity of this architecture the access to certain areas with these techniques is difficult or even impossible and this lead to increased inspection costs, due to the need of dismantling the engine to inspect or reduction of the design freedom which results in heavier and less efficient components.

WELDMINDT project, coordinated by IK4-LORTEK, aims to detect different defect types and at different depths of open rotor engine welded parts. For that purpose, the combination of several innovative non-destructive techniques is mandatory.

Shearography, Infrared Active Thermography and Laser Ultrasonics have been identified as inspection techniques with the highest potential of defect detection capability, miniaturization and automation.

The integration of multiple NDT methods in a single automated system still represents a major challenge, taking into account the existence of several excitation sources and the need of coordination between all of them and with the respective sensing units. Therefore, WELDMINDT project will be also focused on the search of optimum excitation techniques miniaturizable and with capability of being automated for every inspection method and in the combination of sensed data by different techniques in order to improve the overall system sensitivity.

In order to carry out the objectives, not only knowledge in NDTs is necessary. The singular characteristics of welds make mandatory big knowledge and expertise in the field of welding processes, and also in materials and NDT integration and automation. IK4-LORTEK, TWI Ltd. and Hogskolan Väst will collaborate with the aim of achieving WELDMINDT project objectives.

Contact details:

[Dr. Alberto Echeverria](#)

[Dipl.-Ing. Erik Fernández](#)

[IK4-LORTEK](#)

[Arranomendia, 4A, E-20240, Ordizia, Spain](#)

[Tel.: +34 943882303](#) [E-mail: efernandez@lortek.es](#)

WELDMINDT is supported by  
Grant Agreement N° 323427. Clean Sky.  
Public Private Partnership between the European  
Commission and the Aeronautical Industry.



# Playing by the rules

With Gibraltar in its 40th year of European Union membership, **Fabian Picardo** looks at the British overseas territory's relationship with Brussels

**I** come to Brussels on the 40th anniversary year of Gibraltar's membership of the European Union. We joined on 1 January 1973 at the time of the United Kingdom's accession to the European economic community. We did so under an article of the treaty of Rome, now contained in identical form in the treaty on the functioning of the EU, which applies to "European territories for whose external relations a member state is responsible".

Gibraltar's precise status today is that of a British overseas territory. It does not form part of the United Kingdom. This separate status, apart from the UK, is recognised under English law, international law and indeed EU law.

Gibraltar has a written constitution which entered into force on 1 January 2007, replacing the 1969 original. The constitution establishes Gibraltar's system of governance with its own executive, legislature and judiciary. Her majesty the queen, as queen of Gibraltar, is represented by the governor.

Elections to the Gibraltar parliament take place every four years. The locally elected government, her majesty's government of Gibraltar, is formed from the majority party in the parliament. The government has executive responsibility for all matters in Gibraltar except for a very limited number of defined matters for which the Governor has responsibility. These include, in particular, external affairs and defence.

The Gibraltar parliament has power to make laws for the peace, order and good government of Gibraltar which means that its legislative powers extend to all matters. UK legislation does not apply to Gibraltar.

Upon accession, the Gibraltar parliament enacted the



European communities act 1972 for the purpose of giving effect to EU law within our internal legal order. Accordingly, directly applicable EU law takes effect in Gibraltar without any need for further enactment and EU directives take effect only by virtue of their transposition within the laws of Gibraltar.

Consistent with the fact that UK legislation does not apply



*“Gibraltar has moved to the mainstream of European business. That is a reality”*

to Gibraltar, the transposition of an EU directive in the UK does not have any effect in Gibraltar and the Gibraltar parliament is required to pass its own legislation transposing all applicable EU directives in Gibraltar as primary legislation, or in some instances ministers may make national regulations to transpose obligations by secondary legislative means.

Gibraltar, with a population of just under 30,000 inhabitants, is almost certainly the smallest jurisdiction in the EU with an obligation to transpose and implement EU directives. Historically, infraction proceedings for late transposition were common. This was one of the first matters that I sought to address upon being elected into office on 9 December 2011. After making huge investments and restructuring the relevant government departments, on 28 February 2013 I was pleased to announce that for the first time ever Gibraltar was completely up to date in the transposition of all EU directives. I consider this to be a hugely important milestone for our jurisdiction. It is no mean achievement for a jurisdiction as small as ours. It is also a clear signal of our commitment to the EU and to our compliance with its rules.

For many years after the introduction of direct elections to the European parliament in 1979, Gibraltar did not form part of the electoral franchise with the result that the European citizens resident in Gibraltar were not allowed to vote in or stand in elections to the European parliament.

This injustice was finally challenged by a team of lawyers led by chief legal adviser to the government of Gibraltar Michael Llamas, and of which I formed a part. In a seminal judgment delivered in 1999, the grand chamber of the European court of human rights found that Gibraltar’s exclusion from electoral rights to the European parliament was in breach of the European convention of human rights. As a result, a new constituency was created, the “combined region” made up of Gibraltar and the south west of England, for the purposes of elections to the European parliament. We took part in the elections for the first time in 2004.

Gibraltar is economically self-sufficient. The principal contributors to Gibraltar’s economic base are financial services, port operations, online gaming and tourism. As an integral part of the EU, Gibraltar’s financial services licensing and regulatory regimes are fully compliant with EU requirements. We also have a comprehensive legal framework to fight money laundering in accordance with EU requirements. Moreover, further to an EU state aid investigation into our tax regime, Gibraltar abolished its so-called offshore

companies and now operates a uniform corporate tax regime. We have entered over 26 tax information exchange agreements, including with many EU member states, and have transposed into our laws EU requirements to the same effect.

Gibraltar has moved to the mainstream of European business. That is a reality. Our membership of the EU forms an integral part of our economic model. We are fully committed to that membership. We play by the rules in the EU and expect to be treated in the same way. ★

Fabian Picardo is chief minister of Gibraltar



# TRUST TAKES PATIENCE REWARD TAKES TRUST

**Whatever or wherever the challenge,  
we can provide the solutions.**

In an ever-changing world, new challenges frequently arise in our personal lives and in the corporate and commercial world. Whether it's advice, structures, planning or strategies that need resolution, Hassans has the expertise to meet clients' exacting requirements. Our diversity means we are adaptable and flexible. We are innovative, cosmopolitan, multi-lingual and above all client focused.

**HASSANS – International Lawyers**



# Take a chance

Online gambling is an important part of Gibraltar's economy and its regulatory framework should be emulated across the EU, writes **Ashley Fox**

**G**ibraltar is not only an important part of the constituency that I represent as an MEP, it also plays an important role in the wider European economy. Located at the crossroads of Europe and Africa, this financial and commercial hub provides a good example of a successful and well regulated economy.

Gibraltar is host to a highly respected, European focused online gambling industry, with high consumer safety standards and world leading online gambling brands. Licenses are restricted to operators of high quality and reputation. With a high concentration of skilled workers in Gibraltar, the online gambling sector employs over 2000 people. Support services to the gambling industry, such as telecommunications and legal services, stimulate a further 700 jobs.

Across the EU, approximately 6.8 million Europeans participate in online gambling. The European commission predicts that annual revenues from online gambling in the EU will reach €13bn in 2015. In Gibraltar, the industry contributes some €53.5m through duty receipts, corporation tax and employment taxes. Indeed, 16 per cent of government revenues in Gibraltar come from the gambling sector, in addition to those generated from support services.

I am the rapporteur for the European parliament's position on the EU's framework for online gambling. I believe there is great potential for the sector to contribute to the success of the single market, but the fragmentation that currently exists is putting a brake on its expansion. Certain member states operate under different licensing policies, some of which are discriminatory or overly burdensome, making it hard for operators to expand their business across the EU. This has led to a very piecemeal approach to regulating the sector, far from the ideal of a single market.

The online gambling industry is inherently cross-border. My report therefore pushes for convergence of national systems, so that operators, such as those in Gibraltar, can distribute their products across the EU. Greater EU cooperation will also

improve consumer protection, help prevent money laundering and match-fixing, and provide a forum for sharing best practice. I would also like to see the European commission make progress with infringement cases that have been stalled for a number of years. For an effective single market, national regulatory frameworks must comply with EU law.

In the future, I hope to see a system of common licensing, technical and consumer safety requirements, so that operators in jurisdictions such as Gibraltar can expand their business across the EU more freely. Any harmonisation of gambling regulation must be at the highest level to ensure consumer protection, and must be balanced to ensure that consumers do not resort to using illegal gambling operators. Online gambling is undoubtedly one of the most important pillars of Gibraltar's economy, and its regulatory framework should be emulated across the EU; an efficient and balanced regulatory system which promotes competition and protects consumers. ★

Ashley Fox is parliament's rapporteur on online gambling in the internal market

*"The European commission predicts that annual revenues from online gambling in the EU will reach €13bn in 2015"*



# Harbouring tension

Tensions with Spain over air transport could affect Gibraltar's economy, warns **Glyn Ford**

Looking at the south west point of Europe the territory of Gibraltar is dependent on its transport policy to maintain connections with the EU. Gibraltar has developed an efficient and well-regulated transport infrastructure fully compliant with EU legislation. However, each new European initiative poses challenges for rapid implementation as a territory of fewer than 30,000 people has the same legislative hurdles to overcome as the United Kingdom with a population of more than 60 million.

Gibraltar has a large proportion of paved roads (around 50km) compared to its 6.4 square kilometres of surface area. However, narrow streets, steep winding roads and thousands of locally registered vehicles make congestion endemic. All this is made worse by the improved connection to the upgraded European route E15, not only encouraging growing local car ownership for travel to Spain, but also increasing numbers of cross-frontier workers, commercial vehicles and the rising number of tourists arriving by car. In May 2011, the government decided, in an attempt to improve traffic flow and deliver environmental gains, to make public transportation free of charge. Valuable as this first step has been, further measures to reduce the use of private vehicles and improve traffic control to increase sustainability, improve public health and lower environmental pollution are necessary. The government is now developing a new innovative traffic management plan.

Gibraltar port is a fully functional EU compliant port servicing all maritime needs. All vessels are subject to port state control procedures, waste reception and sulphur emissions requirements. Commercial activities within the port of Gibraltar include the provision of maritime bunkers, crew change and ship repair facilities. The importance of the

Glyn Ford is a former MEP for the south west of England and Gibraltar

*"Gibraltar has developed an efficient and well-regulated transport infrastructure fully compliant with EU legislation"*



Bay of Gibraltar

tourism sectors is evidenced by the number of cruise lines that call.

Ship registration facilities are attractive, boasting a category one red ensign register. The registry is regarded as an EU member states' register, entitling registered ships to EU cabotage. There are currently 331 ships on the Gibraltar ship-registry with a total of 3.37 million in gross tonnage.

Gibraltar has an international airport. However when the EU adopted its first single European sky policy in 2001, aimed at creating EU wide air traffic management, Spain ensured that Gibraltar was excluded, preventing any connection with the rest of the EU. This situation changed with the Cordoba agreement – signed by Gibraltar, Spain and the UK – in 2006. In addition to inaugurating a tripartite dialogue, the agreement allowed flights throughout the EU. Since then, the single European sky package and EU regulation on common rules for the operation of air services has been applied to the Rock, and flights to Madrid or Barcelona have been occasionally available.

However, in January 2012, after a year of growing tension between the two neighbours, Spanish foreign minister José Manuel Garcia-Margallo announced that Spain would return to its previous position and veto the Rock's participation in the forthcoming new European air transport directive. This legislation awaiting the council's first reading deals with the tricky issue of slot assignment slots at European airports to ensure optimal allocation and use to enhance competition and competitiveness of operators. After seven years of being part of the European sky, this would be a retrograde step for Gibraltar and the EU. It will consequently have a potential economic impact by strangling the airport's and government's ability to build up a wider European network. ★



# GIBRALTAR

European financial services centre

International financial  
centre within the EU

Direct access to  
EU single market in  
financial services

Regulated to EU  
and UK standards

Attractive fiscal  
environment

High-quality  
infrastructure



HM Government of Gibraltar  
Ministry of Financial Services  
Finance Centre Department  
Suite 761, Europort, Gibraltar  
Tel: (+350) 200 50011  
Fax: (+350) 200 51818  
info@financecentre.gov.gi  
www.gibraltar.gov.gi

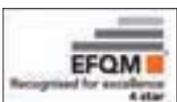
# Communications gateway to the world



## Fixed Mobile Internet

- International carrier with an extensive global reach
- High capacity submarine cable links
- Resilient, high-speed fibre optic networks
- Data centres with world class hosting facilities
- Dedicated engineers providing 24/7 monitoring and support

15/21 John Mackintosh Square  
Gibraltar  
Tel: +350 20052200  
[www.gibtele.com](http://www.gibtele.com)  
[info@gibtele.com](mailto:info@gibtele.com)



# Gibtele.com



# Equal treatment

The citizens and waters of Gibraltar deserve to be treated like those in any other part of the EU, says **Graham Watson**

**G**ibraltarians have long been one of the forgotten peoples of Europe. Their situation is not unlike that of the Turkish Cypriots, minus the barbed wire – in the EU, but conveniently forgotten by the EU.

This is particularly the case when Whitehall officials forget to check their coordinates, and when the European commission omits to tell anyone it has approved a Spanish marine conservation area in Gibraltarian waters. Gibraltar's territorial waters – the area three nautical miles from Gibraltar's shore – have long been controversial.

This was made worse when the previous UK Brown-Blair government, acting on behalf of Gibraltar, accidentally submitted a request for an EU site of community interest with coordinates for a stretch of water off the coast of Algeria. This was not noticed until three years later when I spotted something fishy – it turned out that officials had mixed up their coordinates, switching east for west of the prime Meridian.

This unfortunate slip of the pen has since been rectified, but the situation was made worse when Spain then managed to get the European commission, we presume unknowingly, to approve a Spanish marine conservation area that encroached into Gibraltar's waters. The fact that Spain failed to inform Gibraltar's authorities of this is not surprising. However, the fact that it never occurred to the European commission to inform the UK, and that British officials never noticed, is totally unacceptable.

To this day, the European commission has not revoked the Spanish site, called the Estrecho Oriental, despite it being clearly in breach of international law. Gibraltar and the UK tried to take the case to the European Court of Justice, but

lost on procedural grounds.

Now some in the European commission have tried to suggest that overlapping marine conservation sites are a great example of two member states harmoniously working across borders for the protection of the marine environment. That may be all well and good, but it is not up to Greece to make sure that Finland is taking care of its seabed. The same is true of Spain and the UK.

The situation is complicated further by the fact that for a long time the centre-right government in Gibraltar turned a blind eye to Spanish vessels fishing in Gibraltarian waters. But in December 2011 this all changed when a Labour-Liberal coalition was elected on a platform of putting a stop to the illegal practice.

In May 2012, a three-hour stand-off between Gibraltarian police patrol boats and a Spanish fishing vessel accompanied by a Spanish guardia civil boat led to heightened tensions between Spain, Gibraltar and the UK with real repercussions both for Gibraltarians and the surrounding population in Spain, many of whom cross the border every day to work in Gibraltar. Spain has heightened tensions by even deploying a warship to accompany fishermen off Gibraltar's coast.

As one of Gibraltar's members of the European parliament, I am continuing to press the European commission on the issue of Gibraltar's territorial waters, as well as many other EU

policy issues of importance to Gibraltar. Instead of being regarded as a political hot potato by all in the European commission, Gibraltar should be treated just like any other part of the EU. Gun boat diplomacy is an anachronism from the 19th century, and one that has no part in today's European Union. We are not asking for special treatment, just fair treatment. That is not too much to ask.★

*"I am continuing to press the European commission on the issue of Gibraltar's territorial waters, as well as many other EU policy issues of importance to Gibraltar"*

Graham Watson is a member of parliament's foreign affairs committee and MEP for Gibraltar

# Border line

Freedom of movement is a fundamental right of EU citizens, and any limitations on this should be proportionate and justified, writes **Axel Voss**

**T**he right to freedom of movement is one of the supreme rights of our European Union. But citizens and tourists in Gibraltar have recently discovered that this right is being ‘trampled under foot’ by the Spanish authorities.

Gibraltar is an overseas territory of the United Kingdom and, because of its position at the most southern tip of Spain, is an attraction for many tourists. The fact that Britain is not part of the Schengen area and customs union and, therefore, has to fulfil certain conditions at its border controls is sufficiently well known to us. Therefore Spain is obliged, under European law, to implement border controls, both for those travelling to and from Gibraltar.

Since October of last year, the Spanish government has significantly stepped up its border controls. Inhabitants and tourists in Gibraltar have turned to the European parliament with regard to this matter. Their particular complaint is that each individual motor vehicle is subject to

intensive controls and this leads to waiting times of up to eight hours. The citizens of Gibraltar have, therefore, brought attention to the situation in flyers, in which they describe the controls as arbitrary police acts. Moreover, the government of Gibraltar has installed cameras at the border crossing which are supposed to record the procedures of the Spanish policy 24 hours a day.

This measure was supposed to document the length of the waiting queue and also be used as proof for the European commission. Britain complained in November last year to the European taxation and customs union commissioner Algirdas Šemeta, about the Spanish border controls. However, due to a lack of evidence, the complaint did not have the success expected.

The focus is now on the question of whether the customs controls at the Gibraltar border are disproportionate. Essentially customs controls are, by definition, at the discretion of the authorities. Under customs law, Gibraltar is treated as a third country, so Spain is under an obligation to carry out proper controls. The most important reasons for the strict controls are, according to Spanish policy, cigarette smugglers and trading on the counterfeit cigarette market.

It is clear, however, that each limitation of the freedom of movement, which represents a fundamental right of each citizen of the European Union according to the treaties, must be proportionate and justified. On the other hand the controls are necessary in order to prevent criminal activities and their spreading to the whole of Europe. These controls must be harmonised with the unrestricted freedom of movement in the European Union. It is necessary to find compromises while implementing controls. For this we must try to stop organised criminality and the smuggling trade, while at the same time guarantee freedom of movement within the EU.

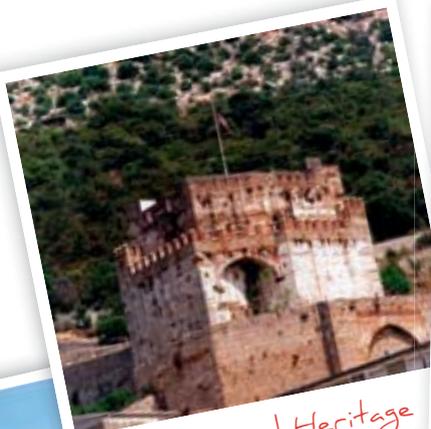
In my view there should be no doubt that customs controls are required at the border between Gibraltar and Spain: in any case both states should find a sensible agreement as soon as possible. It is in the interests of both states not to make their controls too time-consuming. Otherwise, citizens, tourism and trade would lose out and nobody wants that. ★

*“The right to freedom of movement is one of the supreme rights of our European Union”*

Axel Voss is a member of parliament's civil liberties, justice and home affairs committee



A picture paints a thousand words...



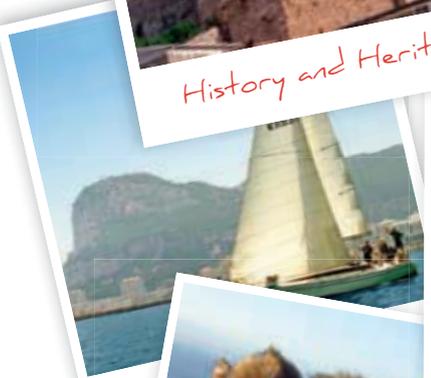
History and Heritage



Dining al fresco



The Gibraltar International Literary Festival 2013



First stop - Rock Tour



We loved the dolphins



Monkey business



Last stop in Europe

# Visit Gibraltar

a vibrant destination that combines the spirit of the Mediterranean with British tradition.



To order a brochure or for further information contact the **Gibraltar Tourist Board**:

**United Kingdom**

T: +44 (0) 207 836 0777  
E: [info@gibraltar.gov.uk](mailto:info@gibraltar.gov.uk)

**Gibraltar**

T: +350 200 45000  
E: [information@tourism.gov.gi](mailto:information@tourism.gov.gi)

You can also find us on **Facebook** and follow us on **Twitter**.



[facebook.com/visitgibraltar](https://facebook.com/visitgibraltar)



[@visit\\_gibraltar](https://twitter.com/@visit_gibraltar)





# Horizon 2020 and the regions

Desmond Hinton-Beales is editor of the Regional Review

### NEWS ANALYSIS

#### 75 On a budget

With debate over the EU's future spending high on the agenda, Johannes Hahn explains how the commission plans to make cohesion policy more effective

### BEST PRACTICE

#### 78 2020 vision

The regions can play a key role in strengthening the territorial dimension of the Horizon 2020 programme and ensuring its success, writes Oldřich Vlasák

#### 82 Paradigm shift

Europe must transform its R&D structures and processes to match the growing need for societal innovation, argues Markku Markkula

#### 84 Regionnovation

The regions can and must play a key role in the development and implementation of the EU's Horizon 2020 programme, writes Richard Tuffs



**VALID FOR THE FIRST  
99 PEOPLE**

- STATE-OF-THE-ART CARDIO AND STRENGTH EQUIPMENT
- GROUP EXERCISES  
(BODYPUMP, PILATES, ZUMBA, CYCLING AND MANY MORE)
- POOL
- MODERN LOCKERS WITH SAUNA
- PERSONAL TRAINING

199 EURO PER PERSON (12 MONTHS, GYM, CARDIO, GROUP CLASSES, SAUNA, 30 FREEZING DAYS, NO JOINING FEE)

**12 MONTHS**  
DAYTIME INCLUDING WEEKENDS

**199€**  
PP

World Class Fitness Center

Rue d'Idalie 10 1050 Brussels - Phone: +32 2 503 15 57

www.worldclassfitness.be

VALID UNTIL 31<sup>ST</sup> MARCH 2013

# On a budget

With debate over the EU's future spending high on the agenda, **Johannes Hahn** explains how the commission plans to make cohesion policy more effective



Europe is going through one of the most serious crises of its history. Unemployment is sky high. Confidence is low. Investment is at its lowest ebb, with small and medium sized firms finding it extremely difficult to access credit.

The European commission has clearly signalled the path to recovery: budgetary discipline, structural reforms, and targeted investments. In the past few years, many efforts have been made to consolidate the economic governance of the union. We've had the so called "six-pack" and more recently the 'two-pack', but Europe is unlikely to fully recover without a more serious effort to direct scarce public resources towards growth and job creation.

This week we have seen MEPs support a resolution on the next multi-annual financial framework that signals their wish to improve on the deal agreed recently in the council. I would like a quick decision, striking a good balance between flexibility and the continuation of a structured seven year budget – so important for the certainty of investments. These ongoing discussions have put the role of investment back at the centre of the European debate.

It is clear in this context that cohesion policy should and will play a major role. According to the council deal last month, cohesion policy would represent a third of the EU budget over seven years and more than 50 per cent of the public investment capacity in many of our member states. This is an opportunity to make a difference.

But what kind of investment is needed in Europe? Do we need rules to ensure

that available money is spent in the most effective way? And how do we guarantee a real public debate on the use of these resources?

We are well versed in the criticisms directed at cohesion policy from various quarters. Some argue that it is difficult to assess the real impact of the policy, others that the policy is not delivering on EU priorities and its resources are distributed too thinly and in some cases towards projects of doubtful value. And some maintain the only role of the policy is redistributing resources from rich to poor.

Our proposals to reform cohesion policy reflect a wish to take those criticisms seriously. These are the plans currently being discussed in the parliament and in the council. One overriding objective guides the radical proposal we tabled in 2011: a more effective policy. To this aim, the commission has proposed to organise the policy around four, mutually reinforcing elements.

First, the commission asks member states and regions to make strategic choices, taking into account the European agenda for





growth. Resources must be concentrated on a few, important fields of investment to ensure critical mass and maximise impact. The commission indicates what these broad priorities should be, but member states and regions are given the responsibility of selecting the best mix of actions that they believe will serve those priorities. Focus and flexibility has been my motto since the beginning.

Second, when developing the funding programmes, we need clear and visible results. They should be monitored and measured and integrated in the programmes. Regions and countries have to clearly explain what they intend to achieve with the resources available, and identify a credible set of indicators. For example, how many more citizens should have next generation broadband by 2020? By what percentage should the rate of school dropouts decrease? How

many SMEs should be formally linked to universities and research laboratories?

The third element concerns the setting of conditions. All too often, investments have failed because the regulatory or physical contexts were not right. This is why we are saying to member states and

**“A successful cohesion policy will translate into new opportunities for all of our citizens in all of Europe’s regions”**

regions that investment should start only once certain pre-conditions are fulfilled. If cohesion policy is to support more and better innovation, for instance, it is only logical to ask for an innovation strategy to avoid fragmented and uncoordinated interventions. If the funds are to support better transport connections, we should ask for a comprehensive transport plan.

Finally, we want to increase the transparency of where and how we are using EU investments. We need regular public debates in Europe on the use of resources to see how investments are progressing, whether strategies should be adjusted or overambitious objectives corrected. Business as usual is no longer an option.

A successful cohesion policy will translate into new opportunities for all of our citizens in all of Europe’s regions. But this depends on our collective commitment to make sometimes difficult, choices: to concentrate funds where it matters, to fix clear targets, and ensure we manage available resources according to the highest standards. This is why I hope that the current dialogue between our EU institutions will confirm the essence of these four elements to make cohesion policy more effective, more transparent, and more European than ever. ★

# EMR2020

Een toekomststrategie  
voor de Euregio Maas-Rijn

Eine Zukunftsstrategie  
für die Euregio Maas-Rhein

Une stratégie d'avenir  
pour l'Euregio Meuse-Rhin

A future strategy  
for the Euregio Meuse-Rhine



[www.euregio-mr.eu](http://www.euregio-mr.eu)



[www.interreg.eu](http://www.interreg.eu)

region  
sachsen

DG

Province  
de Liège

provincie limburg



**The Euregio Meuse-Rhine (EMR) is one of the oldest Euroregions of the European Union.** For the past 35 years, it has brought together three countries and five partner regions speaking three different languages and with different cultural backgrounds. Such complexity makes our partnership exceptionally challenging, but it is also one of the unique selling points of this border region.

**Europe has undergone monumental changes that have had a major impact on its society, economy and politics.**

As a border region at the heart of Europe, the EMR faces even greater challenges: the more EU integration proceeds, the more cross-border mobility there will be, making the practical, legal and administrative obstacles even clearer. Boosting cross-border collaboration is the only way to lower these barriers and to work together on achieving the EU's ambitious Europe 2020 strategy for a sustainable, smart and inclusive growth.

**Border regions are a realistic gauge of European integration.** Both the

opportunities and the obstacles resulting from effective cross-border European cooperation arise first in border regions and are felt most there. Despite the current economic setbacks the EMR is facing due to the planned shutdown of large car and steel factories, the Euregio Meuse-Rhine wants to be regarded as a dynamic and creative European border region in 2020. **This is the objective of the EMR's future strategy, EMR2020, which has been presented at the EMR's triannual conference on March 13<sup>th</sup>.**

**The EMR does have tremendous potential.** It is centrally located in Northwest Europe; its basic infrastructure is well established; and it offers a diverse stock of business accommodation options. There are numerous knowledge institutes. The more than 100,000 students who attend these institutions constitute a huge reservoir of knowledge, creativity and entrepreneurship.

**One of the Euregio's main ongoing challenges will be to promote industrial knowledge sectors within the**

**context of the knowledge economy's continued development.** That will call for new activities to be developed in clean tech and ICT and the region's leading industries (chemicals, automotive, life sciences, medical technology and electrical engineering).

**In addition, the traditional industrial sectors (metals, car, wood, construction, etc.) must also be encouraged within the context of a future-oriented industrial policy,** so that innovative products and manufacturing will enable these sectors to keep playing an important role as a economic driver in the EMR. Correspondingly, a policy to promote skilled trades or skilled craftsmen must be actively pursued.

Obviously there are reasons to intensify economic and innovation-related collaboration in the EMR. **Crossborder exchanges between businesses and the market valorisation of research should be stimulated. In fact this is also pivotal to make a succes of Horizon2020.**

**Contact:**

Björn Koopmans, Coordinator Euregio Meuse-Rhine, E-mail: [bjorkoopmans@euregio-mr.eu](mailto:bjorkoopmans@euregio-mr.eu)



# 2020 vision

The regions can play a key role in strengthening the territorial dimension of the Horizon 2020 programme and ensuring its success, writes **Oldřich Vlasák**

In October last year, the European parliament’s regional development committee approved its opinion to the draft regulation on the Horizon 2020 programme. When preparing it, I reflected on two approaches to the possible role of local and regional authorities. The first was how Horizon 2020 can help regions grow, and what its added value for local and regional authorities is. The other was how regions and local authorities can help the programme to be successful on the ground and how its territorial dimension can be strengthened.

Implementation of a programme whose proposed budget for the years 2014-2020 is €80bn should help create knowledge-based jobs in the regions. Horizon 2020 could help it by supporting the finding of niches or by mainstreaming new technologies into traditional industries. Building research and innovation hubs is also a pathway – such hubs can facilitate the consolidation and progress of various research activities and further develop and diffuse technologies in the region. They can help strengthen the ties not only between academic research institutions, but also

with local authorities and industry.

But jobs should also be created in less developed or even rural regions. The Horizon 2020 programme should not disadvantage smaller European universities which are centres of excellence for specific technologies or sectors. Research and innovation activities may be carried out in smaller local and regional research centres.

Like other sectors, research, development and innovation need an integrated, place-based approach to policy design and delivery. Management of national and European research activities at local and regional level cannot be omitted. Regions and cities or towns are able to identify unique characteristics and advantages which should be articulated in their excellence-driven vision of their future,

**“Horizon 2020 should be supported by a powerful information campaign for citizens and civil society in which local and regional authorities can play a significant role”**

in their comprehensive strategies which do not differentiate between the type of instrument used for making research and development initiatives more efficient. In such integrated strategies, the EU structural and investment funds, Horizon 2020 programme, national and regional tools and private investments have to work together, adapt to the regional context and emphasise strengths of the region, its competitive advantages and potential for excellence.

The final product should be an interactive, regionally-driven and con-





sensus-based strategy tailored to the local context, acknowledging that there are different pathways for regional innovation and development. To prepare it, trust of researchers and innovators in governments, including local and regional ones, must be built. It should be based on transparency, independence and mutual communication. Active participation of various actors in the regions, such as public sector or innovation agencies, social economy organisations and businesses is essential. This applies also to vertical policymaking at European and national level. European and national institutional distribution of responsibility for the support of research and development may be reconsidered. However, regions and local representatives should always be invited to the

table and have their say in this process.

EU programmes focused on research and development including Horizon 2020 should be supported by a powerful information campaign for citizens and civil society in which local and regional authorities can play a significant role. Knowledge of investing opportunities may lead to a raising in quality for research and innovation and, consequently, attractiveness of the regions. Appealing regions play an important role in attracting talents, ideas and capital. They draw more talented researchers, help find good international experts and charm interdisciplinary partners. Quality workers ensure successful performance of research and development activities on the ground and tempt international scientific collaboration. Such collaboration then in return

raises local and regional impact and prestige of the territory.

Regional and local authorities, while facing societal challenges in areas such as healthcare, clean energy or transport, may be drivers in promoting modern technologies or products which originate in technological and innovative research or in development initiatives. Public services, such as waste management, energy efficiency or waste water treatment, urbanism or other areas of public life in cities and regions become more demanding as regards their sustainability, added value and quality. Via public sector contracts, regions and cities can disseminate and apply results of the programme and can encourage implementation of new findings and pieces of knowledge in practice. ★

*Oldřich Vlasák is a vice-president of the European parliament and executive president of the council of European municipalities and regions*



# 1 International Maritime Congress

SZCZECIN 13-15 JUNE

## MARITIME ECONOMY - FULL AHEAD!



On 13-15 June 2013, Northern Chamber of Commerce and Polska Żegluga Morska-POLSTEAM organize The 1st International Maritime Congress. It will be a pioneering meeting in our country, where a large group of representatives of the broad maritime industry will participate.

A three-day program of the Congress, divided into thematic blocks and panels, will raise such issues as:

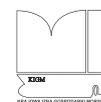
-  The Polish Maritime Economy Today
-  Integration in Sea Transport
-  Sea Resources Exploitation
-  Maritime Economy and Science

More information and registration:  
[www.maritimecongress.com](http://www.maritimecongress.com)

Organizers:



Co-organizers:



# EGTC's Central-European Prospects



During the session entitled “The EGTC beyond regional policy: Transport” Marshal Olgierd Geblewicz presented the plan of establishing European Grouping of Territorial Cooperation for Central European Transport Corridor that is during finalisation process.

than regional policy: Transport” was contributed to by, among others, Stéphane Ouaki, from the European Commission’s Directorate-General for Mobility and Transport. He presented the EU’s plans regarding the conversion of the current incoherent network of roads, railways, airports and channels in Europe into a unified transport network (TEN-T). Another speaker was Gilles Pargneaux, MEP, who provided a summary of experiences, objectives, and potential ways of using the mechanism to foster development in the border regions.

The future of the EGTC mechanism and the potential for using it to strengthen cooperation in the fields of transport and entrepreneurship were the subjects discussed at the Committee of the Regions on Monday, 25 February 2013. The debaters included representatives of EU institutions, Government and regional administration, associations, and experts involved in the process of developing European groupings of territorial cooperation. On behalf of the CETC-ROUTE65 partners, the Marshal of the Westpomeranian Region, Olgierd Geblewicz, took part in the session in Brussels, presenting the plans to establish the European Grouping of Territorial Cooperation for the Central European Transport Corridor.

The grouping described by Marshal Olgierd Geblewicz is one of 16 emerging groupings and Europe’s first EGTC dedicated to increasing the efficiency of transport and mobility management. The main objective here is to support and promote the development of transport accessibility along the north-south multimodal transport axis, from the Baltic to the Adriatic. Its landmark will be the establishment of the Strategic Centre, an internal strategy and planning unit, and the European Grouping

of Territorial Cooperation for the Central European Transport Corridor based in Zalaegerszeg (Hungary). The centre will contribute to the speeding up of the development of the Central European EGTC and the achievement of faster implementation of transport and logistics solutions along the north-south axis. Incidentally, four of the newly-established EGTC’s are based in Hungary.

Besides the Marshal of the Westpomeranian Region, the session entitled “EGTC – more

The conference also served as an opportunity to summarise the work on amending the EGTC Regulation and the events connected with the mechanism’s operation. As at the end of 2012 a total of 32 EGTC’s were established, grouping about 700 Local Governments and regional authorities and representations of 17 Member-State Governments. None of them features Polish partners. The European Grouping of Territorial Cooperation for the Central European Transport Corridor will be one of the first.



Participants of the 3rd Annual Meeting of the EGTC Platform of the Committee of the Regions - The EGTC beyond regional policy – Transport and Enterprise



# Paradigm shift

Europe must transform its R&D structures and processes to match the growing need for societal innovation, argues **Markku Markkula**

**W**e need transformation – we need radical actions. Recent experience shows that new laboratories for innovation are no longer traditional university facilities, but regional innovation ecosystems operating as test-beds for rapid prototyping of many types of user-driven innovations. Old structures and processes do not function any more. New products, services, processes, structures and systems all need to be transformative and scalable in nature.

To reach this development throughout Europe, Horizon 2020 needs to include funding for pioneering universi-

ties and regions, which are able to bridge the research and innovation divide in Europe. Through cooperation between excellent research institutes and less-developed regions recognising excellence in less-developed regions and facilitating innovation policy learning at the regional level, Horizon 2020 could make an important contribution to research and innovation.

Only a small proportion of cities, businesses and other communities make optimum use of existing research output. Europe must make major cultural changes in order to re-focus funding on ensuring active application of the latest research knowledge at local and regional level. The key question is how? How can EU programmes and funding be used to encourage practical action in a way that can be characterised as a transformation, or even a paradigm shift, towards societal innovation?

**“The CoR encourages regions to move towards open innovation, within a human-centred vision of partnerships between public and private sector actors, with universities playing a crucial role”**

I would like to exemplify the potential by pointing out the societal challenges pillar in Horizon 2020. The emphasis should be on combining the best European expertise to large-scale co-creation projects, allowing Europe to implement system-level structure-renewing changes over traditional boundaries. Discipline-centred research is not sufficient to create knowledge for

solving grand societal challenges. Focus should be directed to multidisciplinary research, development and innovation (RDI) activities that yield concepts and components needed in these system-level structure-renewing changes. At the core of research lie experimentation and piloting. A good example is the extensive smart city and smart region operating field. An essential part of all this is scalability of results in different conditions throughout Europe.

When we want to enable pioneering activities to benefit all of Europe, it is important to identify, describe and adopt different interface processes, as interfaces are cradles for potential creative tension and breakthrough innovations.

These new forms of interfaces can be described as an “innovation garden” and “challenge platform”, which together form the prototype of the working arena for inventing the future. These are needed to address challenges – from small local challenges to major societal challenges at global level. Traditional management and traditional university structures do not create favourable conditions for renewal. RDI activity is therefore required to create and pilot prototypes of: configurations of spaces with physical, intellectual and virtual dimensions, and the orchestration and knowledge management toolkits needed to address challenges.

At the Committee of the Regions (CoR) education, youth, culture and research commission meeting and conference in Espoo on 25-26 April, 2013, we will learn what such cutting-edge activity means in practice. Part of the programme will take place in an inno-





vative environment that is putting the EU's knowledge triangle principles into practice: the Aalto design factory, Aalto start-up sauna and Aalto urban mill. This trio of entities is operating inside the Aalto university's main campus in Otaniemi, 15 minutes from the centre of Helsinki.

I see a lot of encouraging signs on the European innovation policy skyline. The key stressed heavily by the commission is entrepreneurial discovery. What I am, however, afraid of is that the member states will keep the bureaucratic burden on using the structural funds. Linking EU funding (Horizon 2020 and cohesion funding) with local funding (public

and private) is a key priority, as well as focusing activities on strategic targets for change. Large-scale local projects and European partnerships are needed.

To clarify the role of Horizon 2020, I also want to emphasise one of the parliament's amendments as an additional point to the commission proposal: 'Horizon 2020 will be targeted towards activities where intervention at union level brings added value compared to intervention at national or regional level by creating economies of scale and critical mass, reducing fragmentation and ensuring a union-wide dissemination of results. These activities are mainly transnational, pre-competitive, collaborative

projects and they shall comprise the majority of the total combined budget for the priority "Societal challenges" and the specific objective on "Leadership in enabling and industrial technologies".'

The CoR encourages regions to move towards open innovation, within a human-centred vision of partnerships between public and private sector actors, with universities playing a crucial role. My conclusion is that we should foster innovation with the help of virtual reality investments going local – speeding bottom-up transformation processes, through which system-changing innovations in urban contexts can be developed, piloted, and scaled-up. ★

*Markku Markkula  
is a member of the  
Espoo city council  
and Committee of the  
Regions' rapporteur  
on the Horizon 2020  
opinion*

# Regionnovation

The regions can and must play a key role in the development and implementation of the EU's Horizon 2020 programme, writes **Richard Tuffs**

Innovation – both technological and non-technological – is critical to Europe's future growth. To rise to the challenge of new global competition and a decade of low economic growth, Europe must harness innovation-led growth. This is why innovation is at the heart of the Europe 2020 strategy which is the umbrella policy framework that guides future European research and innovation and also cohesion policies and structural funds.

Regions play an essential role within this policy framework. Through their innovation strategies, regions foster the

creation and transfer of knowledge by bringing people, business, research institutions and finance together leading to stronger innovation ecosystems at both regional and city level.

The role of regions is first to make sure that they have built regional innovation or smart specialisation strategies that actively support effective and efficient regional innovation ecosystems within their region, and, second, to encourage active networking with other regions across Europe and farther afield to transfer knowledge, build partnerships and support trade opportunities.

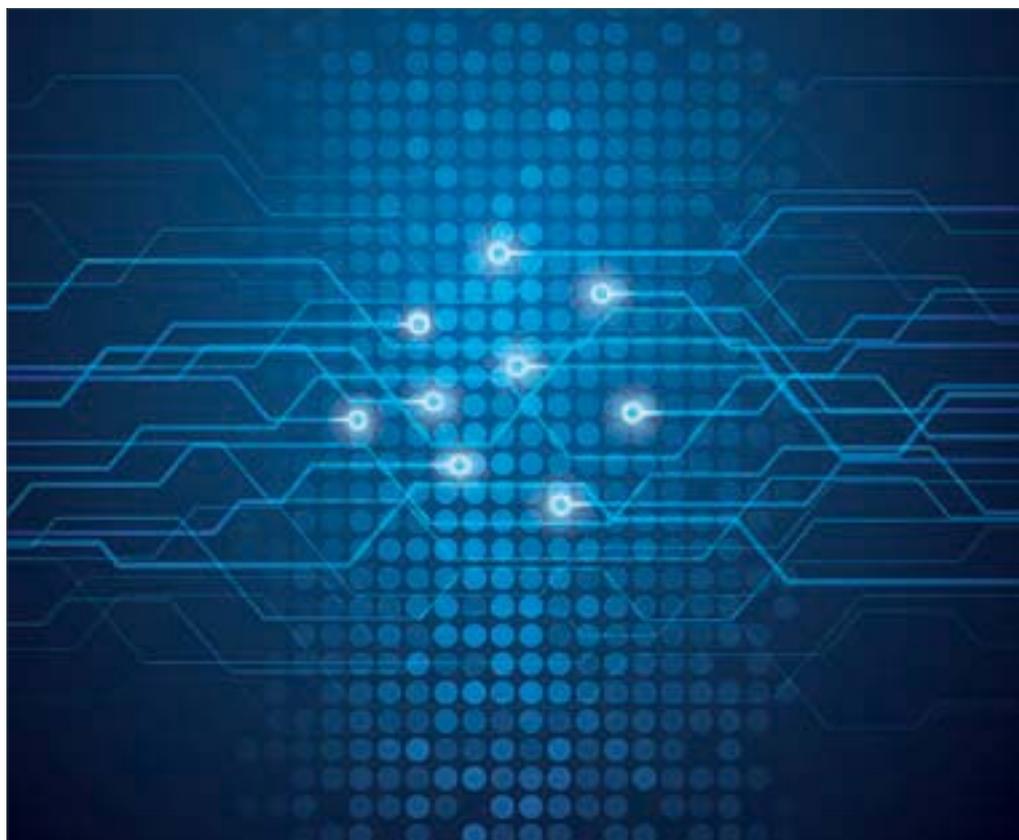
Given the importance of innovation for future economic growth, European support for research and innovation is needed for regions faced with shrinking regional expenditure and therefore the increase in spending on research and innovation in the future European budget from 2014 onwards is both necessary and welcome.

This increased funding for research and innovation provided by both Horizon 2020 and the future cohesion policy and structural funds will increase support for research and innovation by targeting funds for capacity building in research and innovation, business support for SMEs, ICT and the low carbon economy.

**“Europe needs more world class regions in terms of research and innovation”**

While welcoming increased support for research and innovation in both of the above programmes, it is surprising to see that the regional dimension has been largely overlooked within the Horizon 2020 programme. For example, regions are disappointed with the loss of the current ‘regions of knowledge’ programme which has proved its worth in supporting regions and relevant research-driven clusters to map regional competences, share best practice and develop strategic joint action plans.

Regions play a key role in supporting research and innovation due to their size that combines a critical mass of key actors and institutions combined with proximity, cultural awareness and functioning networks. Furthermore, regions understand





their research and innovation context and develop regional innovation and smart specialisation strategies that identify and promote their competitive advantages.

This facilitating role will be an asset within the societal challenges pillar of the Horizon 2020 programme which will develop interdisciplinary research and pay more attention to the innovation chain with more emphasis on demonstration and pilot projects. Increasingly, innovation is seen from a systems perspective where different actors combine to make sure ideas are implemented. Take the electric car as an example. Although long-term success may depend on breakthroughs in battery technology, regions and cities can support the implementation of electric vehicles by supporting infrastructure, regulation, standardisation, procurement, incentives, and soft measures and in many regions concretely supporting electric car production.

Regions also have a key role to play in building networks and partnerships

with other regions within Europe and beyond. This is a key role for regions and through networks such as European regions research and innovation network (Errin), regions can influence European research and innovation policy, develop joint projects and raise their research and innovation profile.

There is thus a need for strong European transnational cooperation programmes so that regions can work together in partnership. These partnerships, building on core competences identified in smart specialisation strategies or sharing information on common problems and challenges, are important for both sharing knowledge and implementing new ideas and projects which are key ingredients for developing world class regions.

Europe needs more world class regions in terms of research and innovation. However, relying on the usual suspects is not enough and it is important that all regions in Europe raise their game. Regions start from different

baselines regarding research and innovation, but all regions have the potential and the need to improve their research and innovation capacities.

Thus, Errin welcomes truly bottom-up, smart specialisation strategies, where regions can identify their competitive advantages and concentrate European investment on priorities decided at regional level through participation processes involving a wide participation of stakeholders at the regional level.

Errin welcomes the future investment in Horizon 2020 and structural funds that will help close the innovation divide. But this innovation divide, which has built up over decades can only be narrowed by regions exploiting the synergies between the various programmes and European funding opportunities. Regions are not the only actors within research and innovation but their role in setting strategies, seeking synergies, and support for implementation will be a key feature of future EU research and innovation policy. ★

*Richard Tuffs is director of the European regions research and innovation network*

# RESEARCH AND INNOVATION FOR A KNOWLEDGE BASED BIO-ECONOMY IN LOWER AUSTRIA

## Technology and research location Lower Austria



During the last decade Lower Austria has developed into a high-tech location of international caliber. Established research facilities have stimulated economic activity thanks to high-tech innovation and close cooperation with companies as well as institutes of higher education. The technology drive of the province of Lower Austria commenced in 2000 and is the cornerstone in the development of Lower Austria as a business location.

## Smart specialization in technological niches: The Lower Austria Technopol Program

One concrete result of Lower Austria's technology drive is the development and implementation of the Technopol Program. Funded by EU regional support means, the Lower Austria Technopol Program has played a pioneering role in linking education, research and business. Companies are supported in their efforts to cooperate with R&D facilities in Lower Austria and to recruit well-educated and highly qualified employees.

The Technopol locations exhibit the following characteristics:

- A critical mass of R&D facilities carrying out research with one or several areas of high-tech focus and having established the appropriate infrastructure.
- The immediate spatial vicinity to university institutions in order to link research to education and instruction.
- Professional firms as partners in cooperation for R&D facilities; their task is to exploit and implement the expertise generated at the Technopols in both national and international markets.
- Sufficient available space for companies to set up business in the immediate vicinity of research facilities and suitable infrastructure for R&D-oriented companies, start-ups and spin-offs.
- A Technopolmanager supports the development of the Technopol



© FIZ Wieselburg

In addition to the three Technopols established in 2004 in Wiener Neustadt (The Technopol for Medical and Materials Technology), Krems (The Technopol for Medical Biotechnology) and Tulln (The Technopol for Agro- and Environmental Biotechnology) recently a new Technopol has now been established in Wieselburg.

## New Technopol for Bioenergy, Agricultural and Food Technology in Wieselburg tackling the grand challenges of food security, sustainable agriculture and strengthening the bio-economy

Research and education in agriculture, agricultural engineering and food technology have a long tradition in the Wieselburg region. The energy crisis of 1973 was the original trigger for research activity into biofuels, bioenergy and bioenergy technologies. Competencies that have been adapted through the years to the needs of the region may be found in the areas: Bioenergy, Energy Systems, Renewable Materials, Agricultural Engineering, Food Technology, Agriculture and Animal Husbandry.

Numerous institutions which have settled in the region of Wieselburg are directly or indirectly involved with agricultural science technologies and cover a broad range



© ecoplus



of activities and competences: research, development, marketing, testing, consulting, teaching and last but not least experience in international R&D projects.



(For more information please see: <http://www.ecoplus.at/en/ecoplus/technology-research/technopol-program>).

### Linking research and industry – The Lower Austrian Clusters

In order to capitalize on the technological know-how modernizing the regional economy the Technopols closely collaborate with the Lower Austrian clusters representing the region's economic fields of strength, e.g. with the Food Cluster on food technology and food safety, with the Plastics Cluster on raw materials from renewable resources, with the Mechatronics Cluster in the fields of agricultural machinery, with the Greenbuilding Cluster on bio energy and there are many more examples.

The Lower Austrian Cluster Program started in 2001 and aims to foster innovation through collaboration of companies. In total about 680 cluster members with about 84,000 employees have been connected within currently five cluster initiatives and more than 400 collaborative projects involving around 2,000 Lower Austrian firms have been realized to date. Cluster management teams form the interface

to the public sector, support companies in the realization of their projects and ideas, broker cooperation partners and accompany projects to completion.

An important role of cluster management is to help involving also small companies in international collaborative R&D projects by translating the companies' needs to the R&D institutes, safeguarding the dissemination of research results into the industry, or even taking over the project management of complex international projects.

Both the Lower Austrian Cluster and the Technopol Program are being implemented by ecoplus, the business agency of Lower

Austria. Over the last decade the Cluster and Technopol management teams developed an international network of partners and gained expertise in international collaborative research projects, such as the CORNET project Polylactic Acid (PLA) for new biobased-packaging: [http://www.cornet-era.net/biobased\\_packaging.html](http://www.cornet-era.net/biobased_packaging.html); the CORNET project Active and intelligent packaging: <http://kb.activepackaging.eu/>, the FP7 project 2BFUNTEX to improve market application of functional textiles, etc.

Based on this experience the Lower Austrian Technopols and Clusters are competent and committed partners for future international R&D collaboration.



ecoplus The Business Agency of Lower Austria Ltd.  
Lower Austrian Technopol Program and Cluster Program:  
Claus Zeppelzauer, division head companies and technology  
[c.zeppelzauer@ecoplus.at](mailto:c.zeppelzauer@ecoplus.at)  
Niederösterreichring 2, 3100 St. Pölten, Austria  
[www.ecoplus.at](http://www.ecoplus.at)

Lower Austrian Liaison Office  
Ilse Penders-Stadlmann, Director  
[Ilse.pender-stadlmann@noel.gv.at](mailto:Ilse.pender-stadlmann@noel.gv.at)  
Rue du Commerce 20-22,  
1000 Brussels, Belgium

For a strong economy,  
Westinghouse is focused on safe,  
clean nuclear energy.



WESTINGHOUSE ELECTRIC COMPANY LLC

Nuclear energy, by providing reliable and affordable electricity, helps keep business competitive and powers future worldwide job growth. Today, nuclear energy provides 15 percent of total global electricity generation and accounts for more than 45 percent of the carbon-free electricity in the world. Westinghouse, and its nearly 14,000 global employees, is dedicated to safe performance.

That's why the Westinghouse **AP1000** nuclear plant is designed to be more than 200 times safer than U.S. Nuclear Regulatory Commission requirements and be able to withstand the most extreme events. It is designed to shut down automatically, without the need for backup power, and will cool itself for 72 hours before any human intervention is necessary. This is made possible through the use of gravity, natural circulation, condensation and convection.

As the most advanced design available in the global marketplace, four **AP1000** units are under construction in China. Four units are also under construction in the United States. Building additional **AP1000** units will provide future generations with safe, clean and reliable electricity.

Check us out at [www.westinghousenuclear.com](http://www.westinghousenuclear.com)



**Westinghouse**

A Toshiba Group Company

You can be sure...  
if it's Westinghouse

Westinghouse Headquarters for Europe, Middle East and Africa: Blue Tower, Avenue Louise 326, Brussels 1050, Belgium