ISSUES OF PARTICULAR INTEREST

Internal Market

Construction Products Directive (CPD) – Revision
The Commission preparation of a draft proposal to revise Directive 89/106/EEC continues. There are no particular developments to report. The timetable for the revision should now be as follows: draft proposal by May 2007; internal consultation during May 2007; possible second public consultation of stakeholders in June 2007; Commission proposal adopted and sent to the Council and Parliament by the end of the year.

The last meeting of the Orgalime CPD task force following this revision took place on 13 March 2007, and the minutes of this meeting should soon be available from the secretariat. The next meeting of the CPD task force will be on 20 June 2007.

Construction Products in contact with Drinking Water
As a reminder, the European Commission is now considering another possible approach on standardisation and harmonisation of products in contact with drinking water. As the current “global” approach addressing all products in contact with drinking water appears slow and difficult to put in place, a CPD-EAS approach based on the regulatory, administrative and procedural framework of the CPD could be the best solution. The mirror committee of the Commission Expert Group CPDW managed by CEPMC and hosting the industrial sectors concerned organised three workshops with manufacturers in February (on composite and assembled products (valves, taps, pumps…); on metallic and cementation products (pipes, tanks, fittings…); and on plastics (pipes, tanks, fittings, adhesives, …). The objectives of these workshops were to understand the current situation in the Member States, to discuss possible improvements, and to discuss the current stage of the EAS and the way forward. The minutes of the meeting on composite and assembled products are available from the secretariat.
Environment

REACH – Chemicals Policy
The Orgalime REACH Task Force continues to concentrate its efforts on the implementation of REACH, and is currently finalising a guide which focuses on downstream users, article producers and article importers, and which notably includes flow-charts and other tools to help manufacturers to understand their possible obligations under REACH. This guide should be available on the Orgalime website and will be regularly amended if necessary. The Task Force is also discussing the REACH Implementation Project (RIP) 3.8 which aims at providing guidance on the provisions on substances in articles. The next meeting of the Task Force will take place on 13 June 2007.

The European Commission is also currently elaborating a website called the "Navigator", in order to provide guidance to companies on how to understand their obligations under REACH and where to find information in the different RIPs.


Finally, DG Enterprise and the German Presidency will jointly organise a workshop on "The "R" in REACH – who has to fulfil what and when - Pre-Registration and Registration of Substances – Practical Steps" to be held in the Wissenschaftszentrum, Bonn on 21 June 2007. More information is available here under “What’s new”.

Integrated Pollution Prevention and Control (IPPC)
The preparation for the revision of the IPPC Directive 96/61/EC is ongoing. As part of the IPPC review process, the Commission is organising a stakeholder hearing on 4 May 2007 and has launched a public consultation which will be open from 17 April until 18 June 2007.

In April 2007, the Commission also published a series of documents aimed at giving “guidance on the interpretation and the implementation of the IPPC Directive 96/61/EC by suggesting an approach to some questions on how certain provisions of the Directive should be understood.”

A new Orgalime Task Force on IPPC which will follow the various aspects of the revision process and coordinate supplier industry input into this process held its first meeting on 29 March 2007. Interested sectors are invited to participate in this Task Force. The minutes of the meeting should soon be available from the secretariat.

Horizontal BREF on efficient energy techniques (IPPC)
There are no specific developments to be reported. As a reminder, a first draft of the horizontal BREF on energy efficient techniques was issued for comments by early June 2006. A second draft is now expected to be circulated in advance of the next and last Technical Working Group meeting in June/beginning of July 2007 for finalisation of the draft BREF. The final draft should therefore be ready in early November 2007 and a
meeting of the Commission IPPC Information Exchange Forum will take place in early December 2007 for final adoption.

**Waste Policy – new EU waste strategy and proposal**

Further to the adoption of the Parliament’s report meeting in Plenary on the Commission Proposal for a Directive on Waste, the file has now been sent back to the Council and its Environment working group is pursuing discussions in first reading. As a reminder, and given the potential impact of the revision of the EU’s waste framework law on existing sector-specific waste legislation, and in particular the upcoming review of WEEE, Orgalime addressed a position paper detailing its priorities and concerns to the Council after having analysed the Parliament’s results. Orgalime priorities today include avoiding overlapping design requirements in EuP, WEEE and the draft waste directives, which not only contradict the institutions’ own better regulation principles, but cause confusion, free-riding and thereby a weakening of the enforcement of legal requirements. In addition, Orgalime argues that product design requirements are wrong-footed in a EC Treaty Article “175 character” directive. It rejects the proposal for introducing extended producer responsibility into the draft waste directive introduced by the European Parliament, as the current Council proposal leaves it unclear what economic operator would be responsible for fulfilling what requirements and the role of the importer has been overlooked. Orgalime calls for the provision of sufficient flexibility in the waste hierarchy and comments on limits of re-use, especially against energy efficiency aspects. Finally, it advocates avoiding parallel waste stream-specific and material-specific targets, and requests transparency and the introduction of a structured and continuous dialogue with stakeholders, and clarification of when certain wastes cease to be waste and the minimum standards for permitting. The Council political agreement is expected before June 2007. Apart from the discussions on the Proposal for a Directive on Waste, the Commission has published guidelines on the definition of by-products, concentrating on the distinction between waste and non-waste in a production process. These guidelines are available on the Commission website.

**WEEE and RoHS Directives**

Preparation for the revision of Directive 2002/96/EC (WEEE) is ongoing. In March 2007, the Commission organised a workshop on the first WEEE review study. A summary report drafted by industry representatives present at the meeting is available from the secretariat. Discussions at the workshop took place in a number of parallel working groups, and the minutes are available on the Commission Website. The presentations made at the meeting are also available on this website. Discussions in the different working groups at the workshop took place on the basis of five questionnaires on initial options on scope, collection targets, reuse, recovery and recycling targets, reuse of whole appliances and treatment requirements. These will be made available on the same web address.

In late March 2007, the European Commission DG Environment published a stakeholder consultation document thereby launching the review process of Directive 2002/95/EC. The Commission invites stakeholders to comment on the proposed topics, identify additional topics and supply supporting information. However the consultation document does not contain concrete policy options, and the Commission has announced that it will consult stakeholders about such options during 2008. Comments should be submitted by 22 May 2007 to ENV-ROHS-DIRECTIVE-REVIEW@ec.europa.eu. A summary report of the results will be published on the Commission website.
The German Presidency will host a conference on "Harmonisation of WEEE registers" on 4 May 2007 in Brussels. The Orgalime Task Force on WEEE/RoHS has offered to coordinate industry’s input and make a presentation at the conference. The last Orgalime WEEE Task Force meeting discussing these issues took place on 24 April 2007, and the minutes should soon be available from the secretariat.

**Energy**

**EU Intelligent Energy Europe**

The 2007 call for proposals for actions under the programme “Intelligent Energy – Europe” was published on 17 April 2007. Approximately €52 million will be made available. The deadline for submitting proposals is 28 September 2007. As a reminder, the objective of the Intelligent Energy - Europe Programme is to contribute to secure, sustainable and competitively priced energy for Europe, by providing for action:

- to foster energy efficiency and the rational use of energy resources;
- to promote new and renewable energy sources and to support energy diversification;
- to promote energy efficiency and the use of new and renewable energy sources in transport.

The Programme is managed by the Intelligent Energy Executive Agency under powers delegated by the European Commission.

**ISSUES OF GENERAL INTEREST**

**Internal Market**

**Metric units**

The results of the public consultation launched in January 2007 on Directive 1999/103/EC relating to units of measurement are now available on the European Commission website. Orgalime, which had prepared ready-to-use answers to this consultation which could be used by its members and other European sectors concerned, asked the Commission to allow the use of supplementary indications (so-called dual labelling) on products, using both SI and non-SI units in order to be able to serve the needs of the markets for engineering products. A report on this public consultation will take all reactions into account and will be published by the Commission.

As a reminder, Directive 1999/103/EC relating to units of measurement has postponed the date of possible use of supplementary indications, regulated in Directive 80/181/EEC, to 31 December 2009. In addition, Directive 1999/103/EC states that the application of Directive 80/181/EEC should be re-examined and appropriate measures should be taken towards achieving a global system of measurements based on SI units. For reference, Orgalime also issued a position on this issue in March 2006.
Patents: Commission sets out vision for improving patent system in Europe

The European Commission has set out its vision, in the form of a Communication for improving the patent system in Europe and for revitalising the debate on this issue. Making the Community patent a reality and improving the existing patent litigation system should, together with supporting measures, make the patent system more accessible and bring cost savings for all.

The Communication highlights that Europe's current patent system is considerably more expensive than the US and Japanese systems. A Community patent would be far more attractive than models under the present system which is a bundle of national patents. A European patent designating 13 countries is 11 times more expensive than a US patent and 13 times more expensive then a Japanese patent. The existing system of patent litigation in the EU, with the risk of multiple patent litigations in several countries on the same patent issue, leads to unnecessary costs for all the parties involved and causes lack of legal certainty.

The difficulties in making progress on the creation of a Community patent led the Commission to launch, in 2006, a broad consultation of all interested parties on the future patent system. The results leave no doubt on the urgent need for action to provide a simple, cost-effective and high-quality patent system in Europe.

The Communication is intended to draw operational conclusions from the stakeholder consultation and to allow the Council to launch deliberations on patent reforms, in particular on the Community patent and jurisdictional arrangements. It addresses various supporting measures for an improved patent system, such as patent quality, knowledge transfer and enforcement issues. A separate and comprehensive Communication on Intellectual Property Rights (IPR) is planned for 2008, to complement the patent Communication and address outstanding non-legislative and horizontal issues in all fields of intellectual property.

Many stakeholders support the Community patent as the approach which will yield most added value for European industry under the Lisbon strategy. However they criticise the Council's Common Political Approach adopted in 2003 because of high translation costs and excessive centralisation of the proposed jurisdictional system. The Commission believes that a truly competitive and attractive Community patent can be achieved provided there is the political will to do so. Concerns about an overly centralised jurisdiction should be taken into account in the work on the creation of an integrated EU-wide jurisdiction for patents. On translation costs, the Commission will explore with Member States how to improve the language regime with a view to reducing these costs while increasing legal certainty.

Recent discussions with Member States show polarised positions on patent jurisdiction arrangements with, on the one hand, Member States supporting the draft European Patent Litigation Agreement (EPLA) in the context of the European Patent Convention and, on the other hand, Member States favouring the establishment of a specific Community jurisdiction for patent litigation on European and Community patents based on the EC Treaty.

Under these circumstances, the Commission believes that consensus could be built on the basis of an integrated approach which combines elements of both EPLA and a Community jurisdiction. The way forward could be to reflect on the creation of a unified and specialised patent judiciary, with competence for litigation on European patents and future Community patents. This system could be inspired by the EPLA model but could allow for integration in the Community jurisdiction. As a first step, work should concentrate on building consensus among Member States around principles on which consensus is emerging.
Better Regulation - First fast track package to reduce administrative burdens on businesses

The European Commission tabled a first set of proposals to cut unnecessary administrative burdens for companies, primarily small and medium sized enterprises (SMEs), in March 2007. The package consists of one directive and one regulation, changing two existing legal acts respectively. The package attempts to make life easier for transport companies, small bakers, butchers and grocery shops, as well as SMEs involved in mergers or divisions.

This first set of measures follows the Commission’s Communication published on 24 January 2007 - "Action programme for reducing administrative burdens in the EU" - which demonstrates in concrete terms the way in which the Commission intends to work with Member States to cut administrative burdens on businesses by a quarter by 2012. The action programme focuses on information obligations in thirteen selected priority areas including company law, employment relations, taxation/VAT, statistics, agriculture and transport. The Commission says it will not hesitate to start reducing the burdens immediately. The action programme already includes a first series of 'fast track actions' where, according to the Commission, significant benefits could be generated through relatively minor changes in the underlying legislation. The measures could reduce the burdens on businesses by €1.3 billion.

Research and Innovation

New financial rules facilitate use of EU funds

The European Union has a new set of financial rules to make better use of EU funds in the 2007-2013 financial framework. The new rules simplify access to funding and reduce administrative procedures to a strict minimum. For the first time the names of the beneficiaries of all EU funds will be made public. The Financial Regulation provides general principles and rules for all transactions entered into by the European institutions. The detailed step-by-step rules are laid down in the Implementing Rules, adopted on 28 March 2007 by the Commission. The previous Financial Regulation entered into force in January 2003. A review in the light of experience was required after three years and the Commission made its first proposal for revision on 3 May 2005, aiming at increased simplification, transparency and accountability. The Court of Auditors delivered a broadly favourable opinion in December 2005, the European Parliament and the Council completed their first examination in March 2006 which resulted in an amended proposal by the Commission on 18 May 2006. The revised Financial Regulation was finally agreed by the European Parliament and Member States on 29 November and adopted unanimously by the Council on 13 December 2006. Now that the Implementing Rules have been adopted, thus translating the revised Financial Regulation into practice, the new rules will apply as of 1 May 2007. More information and an explanatory guide to these rules can be found on the Commission website.

Examples of FP7 Consortium Agreement Models

Several models for FP7 consortium agreements are in the process of being developed or have already been developed. Documentation providing links to existing model agreements which could serve as a basis to elaborate individual consortium agreements can be obtained from the secretariat.
Environment

EMAS (Eco-Management and Audit Scheme) - revision
As a reminder, earlier this year the Commission launched a public consultation in preparation for the revision of EMAS Regulation EC N° 761/2001 and which closed on 26 February 2007. The Commission hopes that the results will constitute the background information for a legislative proposal due in the first half of 2008.

In view of the upcoming review of the EMAS Regulation EC N° 761/2001, Orgalime has drafted a position paper which is available on its website. Since Orgalime industries act on highly competitive global markets with complex global supply chains, the reality shows that European engineering companies mainly opt for international management systems, and ISO standards in particular, rather than management systems that apply at regional or local levels only. Orgalime therefore points out the drawbacks of EMAS, and asks the European Commission to concentrate on the following points: keep the voluntary character of the EMAS scheme; reduce the administrative burden and costs of EMAS certification; do not discriminate against other environmental management systems (EMS), and international EMS in particular, and keep the toolbox for companies as broad as possible. If the Commission wishes to enhance the attractiveness of EMAS on a broader scale, including at international level, in Orgalime’s view this is only achievable by removing the requirement of mandatory third party certification. As regards the IPPC directive and EMAS, Orgalime suggests coordinating the reporting system in order to reduce administrative burden and costs.

More information on the background and the Commission consultation are available on the Commission website.

Climate change - "Capturing and storing CO2 underground"
As announced in its Energy and Climate Change Package adopted on 10 January 2007 (see article below in the “Energy” section), the European Commission is preparing a legislative proposal which aims at establishing the regulatory framework for the capture of carbon dioxide and its geological storage, often referred to as "carbon capture and storage" (CCS). To this end, the European Commission is analysing and studying this potentially important tool for the environment and energy policies of the European Union.
CCS is a technology concept to reduce the atmospheric emissions of carbon dioxide that result from various industrial processes, in particular from the use of fossil fuels (mainly coal and natural gas) in power generation. The Intergovernmental Panel on Climate Change (IPCC) views CCS as "an option in the portfolio of mitigation actions" to combat climate change. CCS is expected to have far-reaching implications for the industry sectors based on fossil fuels, both in the EU and worldwide.
The Commission launched a public consultation of all stakeholders on the benefits and challenges of CCS, and how the technology relates to other energy and greenhouse gas mitigation options. The views expressed will be taken into account when preparing legislative proposals to regulate CCS at the end of 2007. The consultation closed on 16 April 2007 and the results will be published on the Commission website.

Energy

EU “Energy” Policy
In the context of its work on implementing the “Energy Policy for Europe” DG Energy and Transport of the European Commission is consulting stakeholders on the future of the
“European Strategic Energy Technology Plan” which aims at “accelerating the market introduction and take up of low carbon and efficient energy technologies”. Its purpose is to agree a shared European vision on the role that technology could play in a sustainable energy future. A two-step consultation approach is envisaged:

- Up to the summer of 2007, the Commission will consult with established advisory and stakeholder groups, such as the FP7 (7th Framework Research Programme) Advisory Groups, relevant European Technology Platforms and others. A series of hearings and workshops will be convened and, when possible, the SET-Plan will be discussed at high-level European conferences.
- In parallel, a public consultation by means of an on-line questionnaire offers the opportunity for all interested stakeholders to express their views at a very early stage of the strategy’s preparation. The questionnaire is divided into five topics: Topic 1: European Union energy policy and technology; Topic 2: the role of technology and the need for action; Topic 3: energy technology prospects regarding energy policy goals, innovation instruments and level of action; Topic 4: international cooperation; and Topic 5: opinion, ideas and initiatives. The closing date is 13 May 2007.

High Level Group on Competitiveness, Energy and the Environment – third report

The High Level Group on Competitiveness, Energy and the Environment adopted its third report on 27 February 2007. Entitled “Contributing to an integrated approach on competitiveness, energy and the environment policies - Helping energy intensive industries adapt to the energy and climate change challenges; incentives, innovation and technology policies”, it contains recommendations on managing the transition towards a lower carbon economy worldwide. Among its priorities this year, the HLG will identify international responses from industry and non-governmental organisations on climate change. The Group will also focus on “greening industrial policy”, helping businesses to adjust to the new economic and environmental challenges. This will require the development of an appropriate framework for energy-intensive industries by examining barriers and incentives to enhance EU enterprises’ performance and competitiveness and considering sustainable access to resources and secondary raw materials. The full report and more details are available here.

Additionally, meeting on 8-9 March, the European Council agreed to a set of headline political targets and explained how they would be achieved. Its Action Plan ‘Energy Policy for Europe’ (2007-2009) comprises priority actions on the internal market for gas and electricity, climate change and renewable energies.

Other Consultations/Calls/Events

- **International Metrology Congress** - 18-21 June 2007 - Lille, France
- **First European forum on effective solutions for managing occupational noise risks** - 3-5 July 2007 - Lille, France
OTHER PUBLICATIONS

**Action Plan for European Standardisation** (final version) - 15 March 2007, European Commission

**Enterprise Europe Newsletter** - March 2007, European Commission

**RAPEX annual report 2006** (European Commission, April 2007)