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REPORT

on the proposal for a Council Decision concluding the Agreement on cooperation for science and technology between the European Community and the government of the Russian Federation
(COM(1999) 324 – C5-0083/1999 – 1999/0133(CNS))

Committee on Industry, External Trade, Research and Energy

Rapporteur: Godelieve Quisthoudt-Rowohl

<i>Symbols for procedures</i>	<i>Abbreviations for committees</i>
<p>* Consultation procedure <i>majority of the votes cast</i></p> <p>**I Cooperation procedure (first reading) <i>majority of the votes cast</i></p> <p>**II Cooperation procedure (second reading) <i>majority of the votes cast, to approve the common position</i> <i>majority of Parliament's component Members, to reject or amend the common position</i></p> <p>*** Assent procedure <i>majority of Parliament's component Members to give assent</i> <i>majority of the votes cast in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty</i></p> <p>***I Codecision procedure (first reading) <i>majority of the votes cast</i></p> <p>***II Codecision procedure (second reading) <i>majority of the votes cast, to approve the common position</i> <i>majority of Parliament's component Members, to reject or amend the common position</i></p> <p>***III Codecision procedure (third reading) <i>majority of the votes cast, to approve the joint text</i></p> <p>(The type of procedure depends on the legal basis proposed by the Commission)</p>	<p>I. AFET Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy</p> <p>II. BUDG Committee on Budgets</p> <p>III. CONT Committee on Budgetary Control</p> <p>IV. LIBE Committee on Citizens' Freedoms and Rights, Justice and Home Affairs</p> <p>V. ECON Committee on Economic and Monetary Affairs</p> <p>VI. JURI Committee on Legal Affairs and the Internal Market</p> <p>VII. INDU Committee on Industry, External Trade, Research and Energy</p> <p>VIII. EMPL Committee on Employment and Social Affairs</p> <p>IX. ENVI Committee on the Environment, Public Health and Consumer Policy</p> <p>X. AGRI Committee on Agriculture and Rural Development</p> <p>XI. PECH Committee on Fisheries</p> <p>XII. REGI Committee on Regional Policy, Transport and Tourism</p> <p>XIII. CULT Committee on Culture, Youth, Education, the Media and Sport</p> <p>XIV. DEVE Committee on Development and Cooperation</p> <p>XV. AFCO Committee on Constitutional Affairs</p> <p>XVI. FEMM Committee on Women's Rights and Equal Opportunities</p> <p>XVII. PETI Committee on Petitions</p>

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By letter of 26 July 1999 the Council consulted Parliament pursuant to Article 300(3), first subparagraph of the EC Treaty on the proposal for a Council Decision concluding the Agreement on cooperation for science and technology between the European Community and the government of the Russian Federation.

At the sitting of 13 September 1999 the President of Parliament announced that she had referred this proposal to the Committee on Industry, External Trade, Research and Energy as the committee responsible and the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Budgets for their opinions.

The Committee on Industry, External Trade, Research and Energy appointed Mrs Quisthoudt-Rowohl rapporteur at its meeting of 21 September 1999.

It considered the draft report at its meetings of 21 September, 14 and 26 October 1999.

At the last meeting it adopted the draft legislative resolution unopposed with one abstention.

The following were present for the vote: Westendorp y Cabeza, chairman; Mombaur, vice-chairman; Quisthoudt-Rowohl, rapporteur; Baltas, Bodrato, Carraaro, Carlsson (for Wijkman), Chichester, Corbey (for Glante), Damiao (for Caudron), Foster (for Harbour), Gahrton (for Lucas), Hansenne, Lamassoure, Liese (for Langen), Linkohr, McNally, Maes, Montfort, Murphy, Niebler, O'Toole (for Read), Paasilinna, Plooijs-Van Gorsel, Pohjamo (for Thors), Purvis, Raschhofer, Schröder Ilka, Schwaiger, Valdivielso De Cué and Vidal-Quadras Roca (for Ferrer I Casals).

The opinions of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Budgets are attached.

The report was tabled on 26 October 1999.

DRAFT LEGISLATIVE RESOLUTION

Legislative resolution on the proposal for a Council Decision concluding the Agreement on cooperation for science and technology between the European Community and the government of the Russian Federation (COM(1999) 324 - C5-0083/1999 - 1999/0133(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the proposal for a Council Decision (COM(1999) 324 final - 1999/0133(CNS)),
 - having regard to the draft Agreement on cooperation for science and technology between the European Community and the Russian Federation initialled by the Commission (COM(1999) 324 final)),
 - having regard to Article 170 and Article 300(2), first subparagraph, first sentence of the EC Treaty,
 - having been consulted by the Council pursuant to Article 300(3), first subparagraph of the EC Treaty (C5-0083/1999),
 - having regard to Rule 97(7) of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, External Trade, Research and Energy and the opinions of the Committee on Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy and the Committee on Budgets (A5-0048/1999),
1. Approves conclusion of the agreement;
 2. Instructs its President to forward this resolution to the Council and Commission, and to the governments and parliaments of the Member States and of the Russian Federation.

EXPLANATORY STATEMENT

1. The principal aim of this agreement is to encourage cooperation in the field of RDT between the European Union and Russia in research projects covered by the Community Research Framework programme. Cooperation will be limited to the areas covered by the agreement, listed below:

- environment and climate research, including earth observation;
- biomedical and health research;
- agriculture, forestry and fisheries research;
- industrial and production technologies;
- materials research and metrology;
- non-nuclear energy;
- transportation;
- information society technologies;
- social sciences research;
- science and technology policy;
- training and mobility of scientists.

Other areas may be added to this list by the competent authorities of each Party upon review and recommendation by the Joint Community-Russia Committee.

The agreement is concluded for an initial period ending on 31 December 2002 and is renewable by common agreement between the Parties for additional periods of five years.

2. There have been significant developments in relations with Russia in the field of science and technology, particularly since the signature of the partnership and cooperation agreement in June 1994. Specifically, the Commission reports¹ that between 1993 and 1998 the Community provided financing of almost EUR 140 million for projects involving approximately 35 000 Russian researchers.

The 4th Framework Programme has already enabled Russian researchers to participate in INCO-Copernicus projects and other programmes, with financing totalling EUR 18 million.

Within INTAS (International Association for the promotion of cooperation with scientists from the New Independent States of the former Soviet Union), cooperation between laboratories from INTAS Member States resulted in financing for Russia of approximately EUR 65 million over the period 1993-1998.

Other initiatives have also been developed, including the International Science and Technology Centre (ISTC) in Moscow, specific initiatives in several fields and multilateral cooperation as part of EUREKA and some COST actions.

However, there is evidence that more systematic coordination of these activities in a more formal framework would prove useful. This agreement, initialled on 11 February 1999, is designed to

¹ COM(1999) 324, p. 2.

respond to this need, providing for cooperation in accordance with the principles set out in Article 3:

- mutual benefit;
- timely exchange of information which may affect cooperative activities;
- balanced realisation of economic and social benefits by the Community and the Russian Federation in view of the contribution made to cooperative activities by the respective participants and/or Parties.

The agreement lays down a management structure for coordinating and facilitating cooperation, of which the main element is a Joint Community-Russia Committee (Article 6). It also contains specific provisions on financing (Article 7(a): 'As a rule, each Party shall bear the costs of discharging its responsibilities under this agreement, including costs of participation in meetings of the Committee'). In addition, the agreement will allow for tax and various other preferences (mainly customs and VAT-related) to be applied to financial contributions from the Union to Russian organisations participating in joint research projects (Article 7(b)). Annex 2 establishes criteria relating to information and intellectual property.

3. Expenditure under the agreement is intended mainly to finance visits of Community officials and experts to Russia and the organisation of workshops, seminars and joint meetings in Europe and Russia.

Total planned expenditure² for the period 1999-2002 is EUR 360 000 (EUR 90 000 per year).

4. Conclusions

The aim of the agreement is to establish a more structured framework for cooperation on science and technology. It should be emphasised that each Party must bear the cost of discharging their obligations under this agreement, and that the costs involved are very modest.

In preparation for future activities, it is already possible to pinpoint several areas to which particular attention should be paid with a view to closer cooperation:

- greater account should be taken of the need to increase the participation of women in projects financed;
- the need to increase private sector involvement in the drawing up and implementation of programmes;
- the need to aim for closer cooperation between the competent parliamentary committees of the parties involved;
- the possibility of increased use of modern methods of telecommunications (especially video-conferencing and information exchanges via the Internet) in order to reduce travel expenses while maintaining or improving the level of information exchanges;
- the need for the Commission to produce an overview of all cooperation activities in the field of RDT between the Union and Russia for consideration by the European Parliament.

² COM(1999) 324, p. 18.

It should be noted that separate negotiations³ on cooperation on nuclear matters, which is excluded from this agreement for the time being, have been held within Euratom. It would be desirable to obtain further information from the Commission.

³ Negotiating mandate requested by the Commission on 17 January 1991.

OPINION

(Rule 162 of the Rules of Procedure)

for the Committee on Industry, External Trade, Research and Energy

on the proposal for a Council Decision concluding the Agreement on cooperation for science and technology between the European Community and the government of the Russian Federation COM(1999) 0324 – C5-0083/1999 – 1999/0133(CNS) (Quisthoudt-Rowohl Report)

Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy

Letter from the committee chairman to Mr Carlos Westendorp Y Cabeza, chairman of the Committee on Industry, External Trade, Research and Energy

Brussels, 14 October 1999

Dear Mr Westendorp Y Cabeza,

At its meeting of 11 October 1999, the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy considered the above proposal and adopted the following conclusions:

Since the signature on 24 June 1994 of the Partnership and Cooperation Agreement between the EU and the Russian Federation, the relationship between the two sides has developed, especially in the scientific and technical field. Thus, for the 1993-1998 period, these activities involved Community financing of almost euro 140 million and concerned approximately 35 000 Russian researchers.

The cooperation has taken place under the fourth EU RTD Framework Programme, under the aegis of INTAS⁴ and of the International Centre for Science and Technology established in Moscow, and via the Eureka Programme and COST actions.

In November 1997 the Council authorised the Commission to negotiate an agreement on cooperation for science and technology between the European Community and the Russian Federation for the duration of the Fifth Framework Programme. This agreement, which was initialled on 11 February 1999, now needs the approval of the European Parliament before its final adoption by the Council.

The cooperative activities will be conducted on the basis of the following principles: mutual benefit, the timely exchange of information which may affect cooperative activities, and the balanced realisation of economic and social benefit by the two sides in the light of the contribution made to cooperative activities by the respective participants.

⁴ International Association for the Promotion of Cooperation with scientists from countries of the former Soviet Union

Cooperation may be pursued in R & TD and demonstration activities, including basic research, in the following fields: environment and climate research, including earth observation; biomedical and health research; agriculture, forestry and fisheries research; industrial and production technologies; materials research and metrology; non-nuclear energy; transportation; information society technologies; social sciences research; science and technology policy; training and mobility of scientists. Other fields may be added upon review and recommendation by the Joint Community–Russia Committee which will be set up to facilitate cooperation activities.

The agreement, as concluded, lays down cooperation procedures and the tax and customs treatment which will apply. It also deals with questions concerning the entry of personnel and equipment, intellectual property and the settlement of disputes.

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy welcomes this cooperation agreement which falls under the EU-Russia partnership and cooperation agreement and represents a tangible step in the implementation of the common strategy towards Russia. It hopes that the agreement will allow the two sides to develop joint projects which will underpin their cooperation (for example in the areas of the environment and advanced technology: aerospace, data processing). At the same time it calls on the Commission to ensure that the appropriations provided for the implementation of this agreement (an initial 90 000 euro per year over four years), earmarked to fund missions and meetings of experts, and those committed for other scientific and technical cooperation activities conducted under the Fifth Framework Programme and the other Community programmes are well spent⁵.

Yours sincerely,

W.F. Newton-Dunn

vice-chairman

⁵ The following were present for the vote: Newton Dunn, chairman and acting chairman; Belder, Caudron (for Nair), Couteaux (for Marchiani), Fabra-Vallés, Garcia-Margallo y Marfil (for Galeote Quecedo), Gomolka, Haarder, Hoff, Korakas, Korhola (for van Hecke), Malmström (for Väyrynen), Marset Campos, Napolitano, Obiols I Germa, Salafranca, Sanchez-Neyra, Santer, Schori, Stenzel and Swoboda.

OPINION

(Rule 162 of the Rules of Procedure)

for the Committee on Industry, External Trade, Research and Energy

on the proposal for a Council Decision concluding the Agreement on co-operation for science and technology between the European Community and the Russian Federation (COM(1999) 324 – C5-0083/1999 – 1999/0133(CNS)) (report by Mrs Quisthoudt-Rowohl)

Committee on Budgets

Letter from the committee chairman to Mr. Carlos Westendorp y Cabeza, chairman of the Committee on Industry, External Trade, Research and Energy

Brussels, 19 October 1999

Dear Chairman,

The Committee on Budgets considered the above subject at its meeting of 19 October 1999

At this meeting it adopted the following conclusions: unanimously⁶.

On 11 February 1999 an agreement for scientific and technical cooperation between Russia and the European Community was signed by which it is proposed that Russia becomes associated to the specific programmes of the RTD Framework programme. As the cooperation which already takes place was considered very satisfactory by both sides it is now proposed to give that cooperation the framework of a formal agreement. The Commission now proposes to the Council to conclude the agreement.

The agreement foresees the participation of Russian research entities in Community programmes. Research entities established in the Community can participate in Russian research projects. Both parties shall cover their own costs.

As usual cooperation is to be achieved by participation in each other's research activities, joint research activities, visits and exchanges of research workers, participation of experts in seminars, and missions of officials and experts.

⁶ The following were present for the vote: Wynn, chairman; Dührkop Dührkop and Pisicchio, vice-chairmen; Averof; Böge, Bösch (for Guy Quint), Bourlanges, Buitenweg, Casaca, Colom I Naval, Costa Neves, Deprez (for Mastella), Dover, Fabra Valles (for Elles), Färm, Ferber, Garriga Polledo, Gill, Hannan (for McMillan-Scott), Haug, Iivari (for Kuckelkorn), Ilgenfritz, Jensen, Krehl, Laschet, McCartin, Mulder, Naranjo Escobar, Ortuondo Larrea (for Onesta), Pittella, Puerta (for Wurtz, pursuant to Rule 153 (2)), Rühle, Sbarbati, Souladakis (for Martin), Stenmarck, Virrankoski and Walter.

For the implementation of the new operations covered by the extension of the agreement the Commission estimates the following annual costs for duration of the agreement until the end of 2002.

Preparatory activities, review of cooperation	□ 40.000
(meetings of the joint science and technology cooperation committee, missions of officials and experts in Russia)	
Scientific and technical workshop/meetings	□ 50.000

Total costs	□ 90.000

The Commission does not request additional posts for the management of the Agreement and the usual financial controls are in place. The Committee on Budgets does not see any budgetary impediments to the Agreement and can approve the amount proposed which comes under the overall envelope agreed for the Fifth Framework Programme, to be taken from the relevant lines in B6-6. However, as it has done before, it requests that the Commission mention in its annual reporting on the Fifth Framework Programme how much the Russian partners contribute financially to these research activities. Moreover, it suggests that the Court of Auditors might usefully carry out a global investigation of the benefits and cost-effectiveness of these kinds of international cooperation activities under the Programme. In particular, the Committee feels it would be useful to compare how far the activities and missions involve actual scientists or researchers as opposed to research administrators.

Yours sincerely,

Terence WYNN