



COMPETITIVENESS COUNCIL

Brussels, 30 November and 1 December 2017

On Thursday 30 November, the Council will focus on internal market and industry items. It will be chaired by Kadri Simson ([@kadrisimson](#)), Minister for Economic Affairs and Infrastructure of Estonia.

The Council will first be invited to agree at a public session on a general approach to establish a **single digital gateway** which will allow citizens and businesses to exercise their internal market rights online and will give a new boost to e-Government in the EU. The general approach will give a mandate to the Council to start negotiations with the European Parliament.

Ministers will then debate on the future of the European **industrial policy**, and adopt conclusions. The Council will repeat its call on the Commission to develop a long-term strategy for the EU industry. The Presidency has prepared a report with concrete ideas for actions/policy instruments. The Presidency has invited Philippe Citroën, Director General of UNIFE, representing EU industry associations, and Ulrich Schuh, Chair of the High Level Group for Competitiveness and Growth.

During the working lunch, ministers will debate on the future of the car industry in the context of digitalisation, decarbonisation and globalisation.

Information items on the Council agenda will include the following: the state of implementation of the **digital single market strategy**, the agreement with the European Parliament on **geo-blocking**, the state of play of the Unified Patent Court and the **Unitary Patent Protection** system, progress on the **European Defence Industrial Development Programme**, the European **SME action programme**, the new **public procurement package** and the traceability system of **tobacco products**.

On Friday 1 December, the Council will deal with space policy and research and innovation items.

The space policy session will be chaired by Urve Palo ([@palourve](#)), Minister for Entrepreneurship and Information Technology, and the research and innovation session by Mailis Reps ([@Mailis Reps](#)), Minister of Education and Research, of Estonia ([@EU2017EE](#)).

During the morning public session, the Council will examine the way forward with the **EU space programmes** and will be invited to adopt conclusions on the mid-term review of the **Copernicus** programme.

In the afternoon, the Council will discuss ways to develop a mission-oriented approach to **future well-being for citizens, and address global challenges in the next EU multiannual framework programme for research and innovation**, the successor of the current programme Horizon 2020.

¹ This note has been drawn up under the responsibility of the press office.

The conclusions "**From the interim evaluation of Horizon 2020 towards the ninth framework programme**" will be submitted to the Council for approval. It will be the Council's first input for preparations of the next EU framework programme for research and innovation.

Information items will include: the state of play on **Open Science** and the construction of the laser research facility "**Extreme light infrastructure**".

At the end of the meetings, the Bulgarian delegation will be invited to give an overview of their main priorities in the field of competitiveness, space and research and innovation for the first half of 2018 under their Presidency mandate.

Press conferences:

Thursday 30/11 at +/- 17.30 (internal market and industry)

Friday 1/12 at +/- 17.30 (research-innovation and space policy)

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Video streaming of press conferences and public events: <http://video.consilium.europa.eu>

Video coverage in broadcast quality (MPEG4) and photo gallery: www.eucouncil.tv

INTERNAL MARKET AND INDUSTRY

Single digital gateway

In public deliberation, the Council will be invited to agree on a general approach to establish a single digital gateway to help citizens and businesses solve problems and exercise their rights in relation to the EU's internal market.

A Council general approach will allow to start negotiations with the European Parliament next year. The adoption in the Parliament's IMCO committee is planned in February 2018.

The single digital gateway will be a virtual one-stop-shop allowing easy cross-border access to EU single market related national rules and procedures to reduce the administrative burden for businesses and citizens.

According to the Council general approach, 14 key administrative procedures will have to be made available online, including registering a birth, changes of address, registering a car, starting a business or registering employees for compulsory pension and insurance schemes.

In addition, if a procedure related to single market freedoms is available for a national of a specific member state, it should also be accessible to users from other member states.

Furthermore, if explicitly requested by the user, a system for the automated exchange of evidence should be developed, so that data already provided to a public authority in one member state can also be used to complete cross-border online procedures in another ("once only principle").

The single digital gateway will also link several networks and services established at national and Union level to assist citizens and businesses in their cross-border activities: European Consumer Centres, Your Europe Advice, SOLVIT, Intellectual Property Rights Helpdesk, Europe Direct and Enterprise Europe Network.

The user interface should be user-friendly and available in at least one official EU language broadly understood by the largest possible number of cross-border users. If needed, translation costs will be covered general budget of the EU.

The functioning of the gateway should be supported by technical tools developed by the Commission in cooperation with national administrations.

This proposal has been a top priority for the Estonian Presidency because it is a step towards the digitalisation of public services in cross-border situations, introducing the "once only principle" in legislation, and therefore towards making the digital Europe a reality, as agreed in the ministerial declaration on e-Government (the Tallinn Declaration):

<https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration>.

On 2 May 2017, the Commission presented its proposal to develop the single digital gateway ([8838/17](#) and [8838/17 ADD 1](#)).

It is part of the "[Compliance Package](#)", comprising also a proposal on the Single Market Information Tool and measures to improve [SOLVIT](#), the free of charge assistance website for the internal market.

Future of EU industrial policy

The Council will hold a debate with a view to adopting conclusions on a future EU industrial policy strategy.

The debate will be based on a [report tabled by the Presidency](#) and ministers will be invited to express views on the following issues:

- the medium and long-term objectives of the EU industrial policy
- the priority policy instruments that should be taken up by the Commission and the member states in the long term

The conclusions ([14368/17](#)) will call on the Commission to develop a forward-looking EU industrial strategy with a focus on 2030 and beyond.

The strategy should present medium to long term objectives and an action plan with concrete measures developed in close consultation with the member states and relevant stakeholders.

The conclusions will also invite the Commission to consider a concrete mechanism to effectively monitor the implementation of the strategy. In this context, the Commission will be requested to regularly report to the Competitiveness Council with a view to the Spring economic EU summits, starting in 2018.

The Presidency has invited an external speaker to present the stakeholders views: Philippe Citroën, Director General of UNIFE, the European rail manufacturing industry association, representing the coalition "#Industry4Europe".

The chair of the High Level Group on Competitiveness and Growth, Ulrich Schuh, will also attend the meeting.

The conclusions of the European Council of 23 June 2017, building on Council conclusions of May 2017 that called for future industrial policy strategy, underlined the essential role of industry as a major driver for growth, employment and innovation in Europe and called for concrete action to ensure a strong and competitive industrial base in the single market.

On 13 September 2017, the Commission submitted a communication on "Investing in a smart, innovative and sustainable Industry: A renewed EU Industrial Policy Strategy", accompanied by a list of next steps on key actions for a smart, innovative and sustainable industry ([12202/17](#) and [12202/17 ADD1](#)).

Competitiveness check-up: objectives of the industrial policy

The Commission will be invited to present its communication on "[Investing in a smart, innovative and sustainable Industry: A renewed EU Industrial Policy Strategy](#)".

The communication summarises the Commission's existing initiatives and takes stock of the progress made during recent years. It notably refers to:

- initiatives taken to strengthen the single market
- actions for improving education and training systems to adapt skills to the industrial transformation
- the digitalisation of industry, in particular for small and medium-sized enterprises (including big data, artificial intelligence, digital industry platforms, cyber-security, services)
- the low-carbon circular economy and resource-efficient business models
- financial programmes and initiatives to support start-ups and scale-ups
- the global dimension

During a preparatory meeting of the High Level Group for Competitiveness and Growth —the Competitiveness Council think-tank— a large number of member states demanded transparent long term objectives for industrial policy that would reflect an ambitious strategy. Some member states considered the definition of objectives as necessary preconditions for developing a process of monitoring and evaluation.

The 'competitiveness check-up' allows ministers to put forward priorities and respond to urgent issues and developments in the real economy.

It is a regular working method that was established in 2015 aimed at improving the role of the Competitiveness Council as regards the analysis of horizontal and sectoral economic issues as well as the monitoring of competitiveness mainstreaming.

In practice, it is based on a presentation by the Commission of the latest figures and trends related to micro-economic issues, with Ministers being invited to respond and provide input on possible implications for EU companies and citizens.

RESEARCH AND INNOVATION

Addressing global challenges through R&I: a mission-oriented approach

At a public session, ministers will consider ways to develop a mission-oriented approach to research and innovation (R&I) for the next EU research framework programme.

This approach is based on a recommendation made in a report delivered by a group of independent experts chaired by Pascal Lamy last July to [maximise the impact of EU research and innovation programmes](#).

The report points out that further investments and stretching the impact of R&I would be a key element to provide solutions to global challenges and improve the well-being of European citizens.

Out of a total of eleven recommendations, the group recommended the implementation of a mission-oriented, impact-focused approach to address global challenges for the ninth EU framework programme, the successor of the Horizon 2020 programme.

According to the report, the post-2020 EU R&I programme should translate global societal challenges (social, economic, environmental) into a limited number of large-scale research and innovation "missions".

These missions should mobilise researchers, innovators, investors and other relevant players to induce action across disciplines, sectors and institutional silos. They should also allow better communication of the benefits to the public.

The debate will be structured by means of a background document tabled by the Estonian Presidency (14320/17), which contains a number of possible features for the design of the new mission-oriented approach.

In particular, ministers will be invited to express views on the following questions:

- Are the characteristics of missions the appropriate ones in order to achieve higher impact and make research and innovation more relatable to citizens?
- How should missions be identified and designed?

At a conference organised by the Estonian Presidency on "European research excellence – Impact and value for society", held in Tallinn on 12 October 2017, participants committed to the "[Tallinn call for action](#)", which aims to mobilise support for research and innovation in Europe.

In particular, the "Tallinn call for action" stresses the responsibility of policy makers, researchers, businesses and journalists in ensuring that research is a real priority in EU policy making, and increasing trust in research.

Furthermore, the document calls for both the EU and national governments to increase expenditure in research and underlines the responsibility of politicians and businesses to ensure the required investments in research and innovation.

The ministerial debate will be preceded by a working lunch with a presentation by Professor Mariana Mazzucato on a mission-oriented approach in R&I. Professor Mazzucato is director of the Institute for Innovation and Public Purpose at the University College London.

From the interim evaluation of Horizon 2020 towards the ninth framework programme

The Council will be invited to adopt conclusions on "From the interim evaluation of Horizon 2020 towards the ninth framework programme".

Building on the lessons drawn out of the interim evaluation of Horizon 2020, the conclusions will address key messages to be taken into account in preparations for the next EU multiannual programme for R&I.

In particular, the conclusions will provide guidance on a set of principles which will include:

- building a R&I ecosystem at the service of the economy and the society
- the rationalisation of the R&I funding landscape
- openness and accessibility
- aspects on implementation

Horizon 2020, the EU framework programme for R&I from 2014 to 2020, was designed to drive economic growth and create jobs by coupling R&I, with an emphasis on excellent science, industrial leadership and tackling societal challenges. This three-pillar structure was one of the novelties of the programme.

The interim evaluation has shown that the three pillars and the core principle of excellence across the entire programme have attracted large support from stakeholders. However, there have been calls to improve the programme by fine-tuning the pillars, improving their internal coherence and maximising their mutually reinforcing impact.

The findings from the interim evaluation of Horizon 2020 show that the impact of the framework programme is real and large in many aspects, even if it is not always fully visible.

According to article 32 of the [regulation establishing Horizon 2020](#), the interim evaluation has to assess the progress of the different parts of Horizon 2020 against the achievements of the objectives of Horizon 2020 and continued relevance of the measures and the efficiency and use of resources.

On 30 May 2017, the Commission presented the interim evaluation of Horizon 2020.

On 6 October 2017, the Commission published the interim evaluation of the Joint Undertakings operating under Horizon 2020 and the participation of the EU in research and development programmes undertaken by several member states.

On 19 October 2017, the Commission issued the interim evaluation of the European Institute of Innovation and Technology (EIT).

SPACE POLICY

EU space programmes: the way forward

During a public session, the Council will discuss the way forward for the EU space programmes.

The debate will provide input for the upcoming discussions on the preparation for the future of the EU space programmes and initiatives, which might start in 2018.

The exchange of views will be conducted on the basis of a [Presidency background document](#), and taking into account the broader context of the EU's industrial policy and digital agenda and their impact on space.

Ministers will be invited to express views on the following questions:

- How do Member States envisage the impact of EU space programmes as enablers for the EU's broader industrial policy and digital agenda?
- Which actions do Member States envisage at national/regional level to complement the EU Space Programmes in order to ensure a multiplier effect for the space economy?

The Director General of the European Space Agency (ESA), Johann Dietrich Wörner, has been invited to participate in the discussions.

Europe owns world-class space systems with Copernicus² for Earth observation, EGNOS³ and Galileo⁴ for satellite navigation and geo-positioning.

Space technologies, data and services have become indispensable in the daily lives of European citizens: when using mobile phones and car navigation systems, watching satellite TV or withdrawing cash.

They support numerous EU policies and key political priorities, including the competitiveness of our economy, migration, climate change, the digital single market and the management of natural resources. The combination of space data with digital technologies open up many business opportunities for all member states.

Space policy can help boost jobs, growth and investments in Europe. Investing in space pushes the boundaries of science and research.

Space is also of strategic importance as it reinforces Europe's role as a stronger global player and is an asset for its security and defence.

For this reason, the EU will invest over EUR 12 billion in space activities for the period 2014 to 2020.

On 26 October 2016, the Commission presented a communication on the [Space strategy for Europe](#) with the aim of developing and creating new services and promoting Europe's leadership in space.

The strategy revolves around four strategic goals:

- 1) maximising the benefits of space for society and the EU economy
- 2) fostering a globally competitive and innovative European space sector
- 3) reinforcing Europe's autonomy in accessing and using space in a secure and safe environment
- 4) strengthening Europe's role as a global actor in space and promoting international cooperation

² [European Earth Observation Programme](#).

³ [European Geostationary Navigation Overlay Service](#), which augments GPS signals over Europe.

⁴ [European Global Navigation Satellite System](#), similar to the GPS.

Copernicus mid-term review

The Council will be invited to adopt conclusions on the mid-term evaluation of the Copernicus programme.

[Copernicus](#) is the EU space flagship programme aimed at developing European information services based on satellite earth observation.

The conclusions build on the mid-term evaluation of the Copernicus programme (2014-2020) carried out by the Commission, which was published on 23 October ([13599/17](#)).

These conclusions will contain key elements for the preparation of the next generation of the programme.

The current situation and future perspectives of the Copernicus programme was the subject of preliminary discussions at the [EU-ESA informal space ministerial meeting](#) held in Tallinn on 7 November 2017.

Any Other Business

Geo-blocking

The Estonian Presidency will report, in public session, on the agreement reached with the European Parliament on 21 November on a draft regulation to prevent unjustified geo-blocking in the internal market.

Digital Single Market strategy: progress on implementation

The Commission will report on progress in the implementation of the Digital Single Market strategy.

The [Tallinn Digital Summit](#) on 29 September 2017 sent a strong message on the need for a stronger and more coherent digital Europe.

The EU summit on 22-23 June 2017 reviewed the progress made in the implementation.

The European Council conclusions of 28 June 2016 called on the Council of ministers to report annually on progress in deepening the single market, starting in June 2017.

The Commission presented its mid-term review of the Digital Single Market Strategy on 10 May: "[A connected digital single market for all](#)", together with the state of play of ongoing actions ([8998/17 ADD 1](#) and [8998/17 ADD 2](#)).

European SME action programme

The Council will take note of information on the annual report of the SME Envoy Network and the European SME action programme.

The 2017 SME Assembly took place in Tallinn from 22 to 24 November 2017.

The SME Assembly is part of the [European SME Week](#), a pan-European campaign with events and awards, such as the European Enterprise Promotion Awards, aiming to promote entrepreneurship in Europe. The 2017's edition was emboldened by the encouraging results published in the [Annual report on EU SMEs](#). The report shows that the European SMEs are recovering from the crisis, which benefits the whole EU economy. 2016 was the third consecutive year where there was a steady increase in EU SME employment and value added.

Unitary Patent Protection system

The Council will take note of [information](#) on the state of play of the Unitary Patent and the Unified Patent Court (UPC).

The Unified Patent package is built on three pillars:

- a [regulation establishing unitary patent protection](#)
- a [regulation on the translation arrangements](#)
- an intergovernmental [agreement setting up the UPC](#) for the settlement of disputes relating to European patents and European patents with unitary effect.

The two regulations were adopted under the enhanced cooperation procedure, with Italy and Spain not participating initially. In September 2015, Italy confirmed its participation in the system. Croatia, which was not an EU member state at the time, is not participating yet.

The UPC agreement was signed on 13 February 2013 by all member states except Spain, Poland (although Poland participates in the enhanced cooperation) and Croatia.

Until today, the UPC agreement has been ratified by 14 member states. To take effect, the package requires ratification of the UPC agreement by 13 member states including France, Germany and the United Kingdom.

Ratification details of the UPC agreement can be found in the database:
<http://www.consilium.europa.eu/en/documents-publications/agreements-conventions/agreement/?aid=2013001>

Public procurement package

The Commission will briefly present the package of initiatives put forward on 3 October 2017 to carry out procurements more efficiently and make full use of digital technologies to simplify and accelerate procedures.

The purpose is to increase the impact of public investment through efficient and professional procurement.

([Commission press release](#))

European Defence Industrial Development Programme

The Presidency will inform on the progress regarding a proposal for establishing a [European Defence Industrial Development Programme](#) (EDIDP)

As a follow-up to the European Defence Action Plan, the Commission submitted on 7 June 2017 a proposal for establishing the EDIDP.

The purpose of the EDIDP is to enhance cross-border cooperation among the EU's defence industries and to increase the competitiveness of the whole defence industrial sector through the joint development and joint procurement of key defence capabilities.

The proposed programme would cover the years 2019-2020 for a total amount of EUR 500 million.

It would provide incentives for starting collaborative development projects meeting the security and defence interests of the EU and would complement their national financing by the Member States.

The overall aim is to support industry in the development phase for collective investments in cutting-edge products and technology.

The Estonian Presidency set up a specific Friends of the Presidency group for examining the Commission's EDIDP proposal, with the aim of adopting the general approach at the General Affairs Council by the end of 2017.

Traceability of tobacco products

The Council will take note of concerns by a number of delegations regarding a draft implementing regulation on technical standards for the establishment and operation of a traceability system for tobacco products.

Open Science

The Commission is expected to provide information on the state of play regarding open science, in response to the [Council conclusions](#) from May 2016, which called on the Commission to inform the member states and the stakeholders on developments and outputs of the Open Science Policy Platform at least twice a year.

Construction of the laser facility "Extreme light infrastructure"

The Council will be updated on the progress of the [Extreme Light Infrastructure](#) (ELI) project ([14419/17](#)).

A presentation will be given by Carlo Rizzuto, Director General of the ELI Delivery Consortium.

Work programme of the incoming Presidency

The Bulgarian delegation will give an overview of the priorities in the field of competitiveness under its Presidency term in the first half of 2018.

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