



COMPETITIVENESS COUNCIL

Brussels, 29 and 30 November 2018

On Thursday 29 November, ministers will deal with internal market and industry items. The meeting will be chaired by Margarete Schramböck, Austrian Federal Minister for Digital and Economic Affairs.

On Friday 30 November, ministers will focus on space policy (morning session) and research and innovation policy (afternoon session), with Norbert Hofer, Austrian Minister for Transport, Innovation and Technology (including Space) and Heinz Fassmann, Austrian Federal Minister for Education, Science and Research, as Chair.

On Thursday the meeting will start at 9.30 with the usual adoption of **'A' items**.

Ministers will then be invited to agree on a general approach concerning the **platform-to-business** regulation, another important piece of the digital single market.

The Council will then discuss the **single market programme regulation** with a view to agreeing a partial general approach (the Council's position). This excludes budget-related issues/figures that are currently being discussed as part of the negotiations on the next multiannual financial framework.

Subsequently, the Council will be invited to agree on a general approach concerning the **general vehicle safety** regulation, which aims to ensure the deployment of new, advanced safety features with the potential to save lives on EU roads.

The morning session will finish with the adoption of Council conclusions on the **future EU industrial policy strategy**.

All discussion items on Thursday morning will be public.

During the working lunch, the Austrian presidency will invite ministers to exchange views informally on the **governance of industrial policy**, in the presence of Mr. Philippe CITROEN, from the Industry for Europe Platform and Director-General of UNIFE.

The afternoon session on Thursday will start with the traditional 'competitiveness check-up', which will focus on the **future governance of the single market**. In this context, the Commission will also present its **Communication on the future of the single market**, to be adopted on 21 November 2018.

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

The rest of the afternoon will be devoted to the following information items:

- information from the presidency on the functioning of certain categories of horizontal aid in the EU
- information from the presidency regarding the draft regulation on supplementary protection certificates for medicinal products
- information from the Commission on the latest annual report of the SME Envoy network
- information from the Czech, Danish, Finnish and Irish delegations on making EU trade in services work for all - enhancing innovation and competitiveness throughout the EU economy
- information from the presidency on the REACH review in the light of industrial competitiveness
- information from the Romanian delegation on the work programme under their presidency.

On Friday, the morning session will begin at 10.00. On the basis of a progress report by the presidency on the **EU space programme** regulation, ministers will exchange views on the main outstanding issues to provide guidance for further work.

The rest of the morning will be devoted to the following information items:

- information from the presidency on the outcome of the space conference held in Graz on 5 and 6 November 2018
- information from the Romanian delegation on the space-related work programme under their presidency.

The informal lunch debate will be focused on research and, more specifically, on the **proposed budget shares** for the main building blocks of the Horizon Europe programme.

The afternoon session will begin with the adoption of Council **conclusions on the governance of the European Research Area**.

The Council will continue with the adoption of a partial general approach on the proposed **framework programme for research and innovation (Horizon Europe)**. It will also take note of a progress report on the specific programme implementing Horizon Europe.

The session will finish with the Romanian delegation informing the Council of the work programme under the upcoming Romanian presidency.

Press conferences:

Thursday 29 November at +/- 18.00

Friday 30 November at +/- 12.30 (Space) and at +/- 18.00 (Research)

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Press conferences and public events by video streaming:

<http://video.consilium.europa.eu/en/webcasts>

Video coverage in broadcast quality (MPEG4) and photo gallery at: <http://nwsr.eu/p/202491>

Internal market and industry

Platform-to-business regulation

The Council will be invited to agree on a general approach on the proposed regulation.

The regulation covers **providers of online intermediation services**, such as online marketplaces and online application stores, as well as **online search engines**. For ease of reference, these will be referred to hereafter as 'online platforms'.

The main goal of the regulation is to establish a transparent, predictable and reliable **online platform** ecosystem for business users within the EU. To that effect, it imposes a number of **transparency requirements** on online platforms, as well as the obligation to set up **effective redress mechanisms**.

Online platforms are key enablers of digital trade. According to data provided by the Commission, more than a million EU enterprises trade through online platforms in order to reach their customers. It is estimated that around 60% of private consumption and 30% of public consumption of goods and services related to the total digital economy are transacted via online platforms.

The online platform economy offers great potential in terms of efficient access to cross-border markets. However, EU businesses cannot currently exploit its benefits fully due to the lack of transparency regarding the way online platforms operate, as well as the absence of efficient dispute settlement mechanisms.

Single market programme

The Council will be invited to agree on a partial general approach on the draft regulation.

The objectives of the draft single market programme are to:

- a) improve the governance of the internal market;
- b) strengthen the competitiveness of EU industry, in particular of small and medium-sized enterprises;
- c) promote standardisation in the EU;
- d) ensure high levels of consumer protection and product safety;
- e) promote human, animal and plant health and animal welfare;
- f) provide a framework for the production and dissemination of high quality EU statistics.

The proposed regulation brings together activities financed during the period 2014-2020 under six predecessor programmes (1. European statistical programme; 2. COSME, the programme for small and medium-sized enterprises; 3. Consumer programme; 4. Programme supporting specific activities in the field of financial reporting and auditing; 5. Regulation relating to the food chain, animal health and animal welfare, plant health and plant reproductive material; 6. Regulation supporting the involvement of consumers and other financial services end-users), but it also includes some new initiatives.

The draft regulation specifies the non-EU countries associated with the programme. It indicates the eligible actions, entities and beneficiaries and regulates the evaluation process.

The Commission has proposed a financial envelope of around €4.1 billion for the period 2021-2027. This includes €1.68 billion for contributing to human, animal and plant health and welfare, €1.0 billion for improving the competitiveness of small and medium-sized enterprises and €188 million for enhanced consumer protection in Europe. The final amounts will depend on the agreement reached on the next multiannual financial framework.

General vehicle safety regulation

The Council will be invited to agree on a general approach on the draft regulation.

The proposed regulation aims to strengthen technical requirements concerning the safety performance of motor vehicles and their trailers by introducing a broad range of advanced safety measures that the relevant vehicle categories would have to have as standard equipment.

More specifically, it revises the vehicle safety rules contained in the General Safety Regulation (EC) 661/2009, the Pedestrian Safety Regulation (EC) 78/2009 and the Hydrogen Safety Regulation (EC) 79/2009 to ensure the deployment of new advanced safety features with the potential to save lives on EU roads.

Vans and SUVs will no longer be exempted from the safety features requirements applicable to ordinary passenger cars.

Such safety features include tyre pressure monitoring systems, intelligent speed assistance, alcohol interlock installation, driver drowsiness monitoring systems, emergency stop signals.

The new regulation will also require the installation of event data recorders, which will store data such as the car's speed or the state of activation of the car's safety systems before, during and after a collision.

Specific rules addressing trucks and buses, hydrogen-powered vehicles or automated vehicles are also proposed.

According to EU statistics, progress in the reduction of road fatalities rates on EU roads has stalled in recent years. The proposed regulation aims to limit the number of fatalities and severe injuries due to road accidents. It is part of the third 'Europe on the Move' mobility package.

Future EU industrial policy strategy

The Council will be invited to adopt a set of conclusions on the need for a future comprehensive and long-term EU industrial policy strategy. In the same context, the Council will take note of the presidency report on the governance and mainstreaming of EU industrial policy contained in document [14217/18](#).

Competitiveness check-up

The Commission will present its latest Communication on the future of the single market. This will be followed by a report by the chair of the High level group on Competitiveness and Growth.

Following these presentations, ministers will be invited to exchange views on the future of the single market. More specifically, ministers will exchange views on the type of actions needed to reap the full benefits of a true single market within the EU, including more efficient enforcement of the rules. The outcome of discussions under this agenda item and the previous one will be fed into the December debate of the European Council.

The single market facilitates the integration of EU businesses in European and global value chains and strengthens their internal and external competitiveness.

This was acknowledged by the European Council in its [conclusions of 22 March 2018](#), which called on the Commission to present, by the end of the year, an assessment of the functioning of the internal market and remaining barriers to intra-EU trade of goods and services.

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 with the aim of 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.

Any other business

Functioning of the EU on certain categories of horizontal aid

The Council will take note of a presentation by the presidency on the functioning of the EU on certain categories of horizontal aid.

Regulation on supplementary protection certificates for medicinal products

The Council will take note of information from the presidency on progress achieved so far on this file.

Report of the SME Envoy network

The Council will be briefed by the Commission on the latest annual report of the SME Envoys network, following their meeting on 21 November 2018 in Graz.

Making EU trade in services work for all - enhancing innovation and competitiveness throughout the EU economy

The Council will take note of information from the Czech, Danish, Finnish and Irish delegations on the abovementioned subject.

REACH review in the light of industrial competitiveness

In the same context, the Council will take note of information from the presidency on the review of REACH in the light of industrial competitiveness.

Work programme of the incoming presidency

The Council will take note of information from the Romanian delegation on the work programme under the Romanian presidency (first semester of 2019).

Space

Space programme regulation

On the basis of a presidency progress report on the proposed EU space programme, ministers will exchange views on the main outstanding issues with a view to providing political guidance for further work on this file.

The proposed regulation aims to ensure:

- high-quality, up-to-date and secure space-related data and services;
- greater socio-economic benefits from the use of such data and services, such as increased growth and jobs creation in the EU;
- enhanced security and strategic autonomy of the EU;
- the role of the EU as a leading actor in the space sector.

It aims to do so by proposing to:

- simplify and streamline the existing EU legal framework on space policy;
- provide the EU with an adequate space budget to continue and improve upon existing space flagship programmes, such as EGNOS, Galileo and Copernicus, as well as to monitor space hazards under the 'space situational awareness' programme (SSA) and cater for access to secure satellite communications for national authorities (GOVSATCOM);
- establish the rules for the governance of the EU space programme;
- standardise the security framework of the space programme.

The proposed regulation is part of the follow-up to the Commission's Communication on a space strategy for Europe.

Any other business

'EU Space for Business' (Space conference, Graz, 5-6 November 2018)

The Council will take note of a report by the presidency on the outcome of the above-mentioned conference.

Work programme of the incoming presidency

The Council will take note of information from the Romanian delegation on the work programme in the space sector under the Romanian presidency (first semester of 2019).

Research and innovation

Council conclusions on the governance of the European Research Area

The Council will be invited to adopt conclusions on the review of the support structure of the European Research Area (ERA) and on ERA's ability to respond to future challenges.

ERA is a unified research area in which researchers, scientific knowledge and technology circulate freely and through which the EU and its member states strengthen their scientific and technological bases, their competitiveness and their capacity to collectively address global challenges.

It was set up following the 2012 Commission Communication on 'A Reinforced European Research Area partnership for Growth and Jobs'.

ERA's priorities are:

- More effective national research systems
- Optimal transnational co-operation and competition
- An open labour market for researchers
- Gender equality and gender mainstreaming in research
- Optimal circulation, access to and transfer of scientific knowledge including via digital ERA

Horizon Europe package

The Council will be invited to adopt a partial general approach on the framework programme (Horizon Europe). It will also take note of a progress report on the specific programme implementing Horizon Europe.

The Horizon Europe package consists of proposals for:

- 1) a framework programme for research and innovation entitled 'Horizon Europe', the successor to the current Horizon 2020 framework programme. It lays down the objectives, the budget for the period 2021–2027, the forms of Union funding and the rules for providing such funding. It is the Union's flagship programme to support R&I from concept to market uptake and aims to complement national and regional funding;
- 2) a specific programme to implement 'Horizon Europe';
- 3) a research and training programme under the Euratom Treaty complementing Horizon Europe;
- 4) a Council Decision amending Decision 2007/198/Euratom establishing the European Joint Undertaking for ITER.

The Commission proposes a total budget of 100 billion euros (final amount will depend on the agreement reached on the next multiannual financial framework). The programme is expected to increase GDP by 0.08% to 0.19% on average over 25 years.

The proposal provides for a date of application of 1 January 2021.

Any other business

Work programme of the incoming presidency

The Council will take note of information from the Romanian delegation on the work programme in the research sector under the Romanian presidency (first semester of 2019).
