



Council of the European Union

PRESS
EN

BACKGROUND¹
Brussels, 25 November 2019

COMPETITIVENESS COUNCIL

Brussels, 28 and 29 November 2019

On Thursday 28 November, the Council will deal with internal market and industry issues. On Friday 29 November, it will address space-related issues in the morning and research-related issues in the afternoon. The Thursday session will be chaired by Mr. Timo Harakka, Finnish Minister of Employment, whereas the Friday session will be chaired by Ms. Katri Kulmuni, Finnish Minister of Economic Affairs.

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On Thursday, the meeting will start at 09.30. Ministers will be invited to agree on the Council's position at first reading on the **representative actions for consumers** directive as well as on the **country-by-country reporting** directive (both items to be taken in public session). Ministers will also have a policy debate on the **external dimension of the European competitiveness** (also taken in public session). Over lunch, the ministers will exchange views on the future SME policy.

On Friday, the meeting will also start at 09.30. At the morning session, ministers will be invited to have a policy debate on how to **foster a sustainable space economy**, as well as to adopt conclusions on **space solutions for a sustainable Arctic** (both in public session). In the afternoon, the Council will first be invited to agree its position on the future **Euratom research programme**. Subsequently, the Council will be invited to adopt conclusions on the **updated EU bioeconomy strategy**, and to agree partial general approaches on a number of the **recitals and the annex IV (Synergies) of the Horizon Europe regulation**, as well as on the draft **regulation on the European Institute of Technology (EIT)** (all three items in public session). Finally, the Council will take note of a progress report on the draft **decision on the strategic innovation agenda of the EIT** (also in public session). Over lunch, the ministers will exchange views on the contribution of Horizon Europe to attracting private R&D investments for sustainable growth.

Press briefing: Monday 25 November 2019 at 09.00

Press conferences: Thursday 28 November at +/- 16.30 (JUSTUS LIPSIUS press room)
Friday 29 November at +/- 17.15 (JUSTUS LIPSIUS press room)

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[Competitiveness meeting page](#)

[Press conferences and public events by video streaming](#)

[Video coverage in broadcast quality \(MPEG4\) and photo gallery](#)

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

Internal market and industry

Representative actions for consumers

On the basis of a [presidency compromise proposal](#), the Council will be invited to agree on its position at first reading concerning the proposed directive on representative actions for consumers.

The directive is part of the "New deal for consumers" package, adopted by the Commission in April 2018. A directive on the better enforcement and modernisation of Union consumer rules, also part of the same package, was adopted on 8 November 2019.

The draft directive aims to enhance collective access to justice for consumers. It proposes to do so via representative actions launched on behalf of the consumers by qualified entities, to be designated by member states.

Currently, EU law provides only for collective actions for injunctions but not for collective redress. Some member states have unilaterally introduced actions for collective redress in their national law while others have not done so.

The European Parliament adopted its position at first reading in March 2019.

Country-by-country reporting directive

On the basis of a [presidency compromise proposal](#), the Council will be invited to agree on a general approach on the proposed directive amending directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches, usually referred to as country-by-country reporting (CBCR) directive.

The directive requires multinational enterprises or standalone undertakings with a total consolidated revenue of more than €750 million in each of the last two consecutive financial years, whether headquartered in the EU or outside, to disclose publicly the income tax which they paid in each member state, together with other relevant tax-related information.

The Commission proposal, tabled in April 2016, is part of the Commission's action plan on a fairer corporate tax system. The European Parliament adopted its position at first reading in July 2017. On 24 October 2019, the European Parliament adopted a resolution calling on the Council to conclude its first reading as a matter of urgency.

External dimension of European competitiveness

On the basis of a [presidency note](#), ministers will be invited to exchange views on how to ensure that EU businesses compete efficiently and on equal terms with their competitors in the global market.

The presidency note identifies the following three elements affecting this level playing field:

- Climate change and transition to climate neutral economy,
- Digitalisation and new technologies, especially the online platform economy,
- Market distorting practices by third countries, such as state aids and market access barriers for foreign companies.

Any other business

a) Better regulation in supporting sustainable growth : work done under the Finnish presidency

On the basis of a [presidency note](#), the Council will take stock of a report on work accomplished under the Finnish presidency on the role of better regulation in supporting sustainable growth.

b) Enhancing the digitalisation of the EU tourism sector : work done under the Finnish presidency

On the basis of a [presidency note](#), the Council will take stock of a report on work accomplished under the Finnish presidency in enhancing the digitalisation of the tourism sector.

c) Outcome of the "Friends of industry ministerial meeting 2019" (Vienna, 4 October 2019)

On the basis of a [note from the Austrian delegation](#), the Council will be informed of the outcome of the above mentioned meeting, which focused on issues such as industrial transformation towards a digital economy, climate neutrality and global competition. The "Friends of Industry" are a group of like-minded EU member states that meet once a year to discuss recent developments related to industrial policy at EU level. The group is inclusive and open to any member state.

d) Implementation of the new consumer protection cooperation (CPC) regulation

On the basis of a [note from the Commission](#), the Council will be informed of the latest state in the practical implementation of the new CPC regulation across the EU, which will become applicable on 17 January 2020.

e) Competition in the European Defence Fund

On the basis of a [note from the Danish delegation](#), the Council will take stock of that delegation's position on the role of the Competitiveness Council in ensuring strong competition among projects aspiring to receive funding from the European Defence Fund.

f) Report of the SME Envoy

On the basis of a [note from the General Secretariat of the Council](#), the Council will take note of the annual report of the SME Envoy Network.

g) Strategic forum on important projects of common European interest : Report on strategic value chains

On the basis of [a note from the Commission](#), the Council will take note of the strategic forum's report on the six selected EU strategic value chains.

h) Work programme of the incoming presidency

The Council will be informed by the Croatian delegation of the work programme of the incoming Croatian presidency in the field of internal market and industry.

Space

Fostering a sustainable space economy

On the basis of a [presidency note](#), ministers will have a policy debate on how to foster a sustainable space economy.

Current trends in global space economy have led to increasing expectations about space activities as a driver for sustainable growth and a provider of tools to tackle societal and global challenges, in particular digital transformation and climate action. However, with more space activities, it is important to ensure the sustainable use of space. Crowding orbits can also lead to the emergence of a new market for end-of-life operations and services. Future European space policy should more effectively enable the space sector's connection to other sectors' renewal and growth and foster sustainable use of space.

Ministers are invited to exchange views on the following questions:

1. What measures should the EU take in promoting the ability of the space sector to spin-off and link to non-space sectors, in particular for digital transformation and climate action, thus promoting sustainable growth and renewal?
2. How do we ensure that sustainability becomes an important element of the European space policy? Should Europe take leadership in the sustainable use of space and have an active role in promoting it globally and advancing the development of key sustainable technologies?

Conclusions on "Space solutions for a sustainable Arctic"

On the basis of [draft conclusions](#) proposed by the presidency, the Council will be invited to adopt conclusions on how to ensure a sustainable Arctic. These conclusions aim to stress that space can act as a true enabler in the Arctic region, especially in combatting climate change and ensuring economically, socially and environmentally sustainable growth in the area.

Research and innovation

Euratom programme complementing Horizon Europe

On the basis of a presidency compromise proposal, the Council will be invited to agree on a partial general approach concerning the next Euratom research programme.

The agreement will not cover horizontal issues, such as the participation of third countries. It will also exclude financial issues, which are currently being discussed as part of the negotiations on the EU's next multiannual financial framework (MFF) covering the period 2021 to 2027. These issues will depend on the agreement to be reached on the next multiannual financial framework (MFF), following political guidance to be given by the heads of state and government.

The Commission tabled its proposal in June 2018 as part of the legislative package for the Horizon Europe framework programme for research and innovation for the years 2021-2027. It proposes that the new Euratom programme pursues the current programme's key research activities (nuclear safety, security, safeguards, safe spent fuel and radioactive waste management, decommissioning, radiation protection and fusion energy), expands research into non-power applications of ionising radiation, and also relates to the areas of education, training and access to research infrastructures. Furthermore, the programme should also support the mobility of researchers in the nuclear field in the framework of Horizon Europe's Marie Skłodowska-Curie actions. The Euratom programme will complement Horizon Europe using the same instruments and rules for participation. Its duration will be 5+2 years (the new Euratom programme will be limited to 5 years, to be extended in 2025 by 2 years in order to be aligned with the duration of Horizon Europe). The Commission proposes a financial envelope of €1,6 billion in current prices for the period 2021-2025.

Conclusions on the updated EU bioeconomy strategy

On the basis of [draft conclusions](#) proposed by the presidency, the Council will be invited to adopt conclusions on the updated bioeconomy strategy for Europe, adopted by the Commission in October 2018.

Bioeconomy comprises those parts of the economy that use renewable biological resources from land and sea to produce value-added products such as food, feed, materials and energy. In 2012 the Commission published its Bioeconomy strategy and in 2017 started a review which led to the publication of an updated strategy on 11 October 2018.

The updated strategy encompasses different sectors and policies, ranging from agriculture to climate, from research to fisheries, and others, and aims to strengthen the connections between economy, society and the environment, thus maximising the contribution of a sustainable bioeconomy to the Commission priorities and to many of its policy objectives.

[Commission communication on a sustainable bioeconomy for Europe: Strengthening the connection between economy, society and the environment](#)

Horizon Europe package : Regulation on framework programme for research and innovation 2021-2027

a) Recitals

b) Annex IV (synergies)

On the basis of a [presidency compromise proposal](#), the Council will be invited to agree on those recitals that have not yet been agreed upon, as well as on annex IV of the Horizon Europe regulation, dealing with synergies between Horizon Europe and other EU programmes.

On 27 March 2019, the Council reached a common understanding with the European Parliament on a substantial part of the regulation on Horizon Europe (see press release below). The present partial general approach ensures the alignment of the remaining recitals with that common understanding and finalises the Council's position on annex IV of the draft regulation.

[EU agreement on future research and innovation programme : press release of 27 March 2019](#)

Regulation on European Institute of Innovation and Technology (EIT)

On the basis of a [presidency compromise proposal](#), the Council will be invited to agree on a partial general approach concerning the draft regulation on the European Institute of Innovation and Technology (EIT).

The Commission tabled its proposal for the recast of the EIT regulation in July 2019, together with a proposal for a new Strategic Innovation Agenda for the EIT for the period 2021-2027.

The EIT was established in 2008 as an independent EU body. Its overall mission is to boost sustainable European economic growth and competitiveness by reinforcing the innovation capacity of the Member States and the Union. Its budget, as well as its areas of intervention and broad lines of activity are set out in the applicable EU framework programme for research and innovation.

The EIT operates through its Knowledge and Innovation Communities (KICs), which are large-scale European partnerships bringing together education, research and business organisations. The EIT provides grants to the KICs, monitors their activities, supports cross-KIC collaboration and disseminates results and good practices.

Decision on the Strategic Innovation Agenda of the European Institute of Innovation and Technology

On the basis of a [presidency note](#), the Council will take stock of progress achieved so far within the Council's preparatory bodies in negotiations concerning the draft decision on the strategic innovation agenda of the European Institute of Innovation and Technology.

The Commission tabled its proposal for a new Strategic Innovation Agenda (SIA) for the EIT, together with a proposal for the recast of the EIT regulation, in July 2019.

The SIA lays down the strategic, long-term priorities and financial needs for the EIT and needs to be in line with the applicable EU framework programme supporting research and innovation. It is for SIA to ensure the alignment with the objectives of the relevant EU framework programme supporting research and innovation, the strategic multiannual planning, monitoring and other requirements of that programme, and to foster synergies with other relevant programmes under each new multiannual financial framework.

Any other business

Work programme of the incoming presidency

The Council will be informed by the Croatian delegation of the work programme of the incoming Croatian presidency in the fields of space and research.
