



COMPETITIVENESS COUNCIL

Brussels, 27 and 28 May 2021

On Thursday 27 May, the Council will deal with internal market and industry issues. On Friday 28 May, it will deal with research-related issues in the morning and space-related issues in the afternoon. The Thursday session will be chaired by Mr Pedro Siza Vieira, Portuguese Minister of State for the Economy and Digital Transition, whereas the Friday session will be chaired by Mr Manuel Heitor, Portuguese Minister for Science and Technology and Higher Education.

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On Thursday, the meeting will start at 09.30. In the morning, ministers responsible for the internal market and industry will be informed (public session) by the presidency of progress achieved so far in the examination of the **Digital Services package** (proposed Digital Services Act and Digital Markets Act) and will hold a policy debate (also in public session) on this package with a view to providing political guidance for further work. Also in the morning, the Council will be invited to approve two sets of conclusions on a) tourism in Europe for the next decade and b) the use of data technologies to improve better regulation. Over lunch, ministers will have an informal exchange of views on how best to coordinate measures for the economic recovery after the pandemic crisis. The afternoon session will start at +/- 15.00 with a policy debate on the updated new industrial strategy, with a particular focus on the importance of **securing access to critical raw materials**. The session will be concluded by a series of information items under AOB, whereby ministers will take note of information provided by:

- the Commission, regarding the proposed regulations on distortive foreign subsidies and on harmonised rules on artificial intelligence, as well as the communication on the trade policy review;
- seventeen delegations, regarding the challenges currently faced by the European standardisation system;
- the Austrian, Belgian and Czech delegations regarding their views on essential building blocks for a competition law and state-aid framework enabling competitiveness;
- the Slovenian delegation, regarding its work programme under its upcoming presidency of the Council.

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

On Friday, the morning session will start at 10.00. Ministers in charge of research will be invited to adopt a general approach on the **European High Performance Computing Joint Undertaking**, as well as Council conclusions on **improving researchers' careers in Europe**. This will be followed by a policy debate on the **renewal of the European Research Area**. Under AOB, ministers will be informed by the presidency of progress achieved so far in discussions regarding the EU's participation in the European Partnership on Metrology (public session), as well as on the regulation establishing the joint undertakings under Horizon Europe. Ministers will also hear reports from the Commission on the membership of the Mission Innovation initiative and on the communication on a global approach to research and innovation. Finally, ministers will be informed by the Slovenian delegation of its work programme under its upcoming presidency. Over lunch, ministers will have an informal exchange of views on how best to articulate the synergies and funding possibilities of the Recovery and Resilience Plans and Horizon Europe's missions and partnerships. The afternoon session will start at +/- 15.00. Ministers in charge of space will adopt conclusions on 'New Space for People' and on 'Space for People in European coastal areas' and will hold a policy debate on the EU's position concerning **space traffic management**. Under AOB, ministers will be informed by the Slovenian delegation of its work programme under its upcoming presidency.

Press briefing: Friday 21 May 2021 at 18.00

Press conferences: Thursday 27 May at +/- 18.00 (JUSTUS LIPSIUS press room)

Friday 28 May at +/- 14.15 for research (JUSTUS LIPSIUS press room)

Friday 28 May +/- 17.15 for space (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](#)

Internal market and industry

Regulation on a single market for digital services (Digital Services Act) and amending Directive 2000/31/EC

On the basis of a [progress report](#) by the presidency, the Council will be informed of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies (public session).

Background

Tabled in December 2020, the proposed regulation, together with the Digital Markets Act (see below), is meant to upgrade and complement the rules governing digital services in the European Union as part of the Digital Services package. The intention is to revise and update the e-commerce directive from 2000 in the light of the transformation that has occurred over the last two decades. In particular for online platforms like social networks or marketplaces - which provide services in the EU from anywhere in the world - the proposed regulation aims to increase and clarify a common set of responsibilities in order to keep users safe from illegal goods, content or services, and to protect users' fundamental rights online. It also provides for transparency and greater regulatory oversight over online platforms.

[Commission proposal for a digital services act](#)

[The Digital Services Act package \(European Commission\)](#)

Regulation on contestable and fair markets in the digital sector (Digital Markets Act)

On the basis of a [progress report](#) by the presidency, the Council will be informed of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies (public session).

Background

Tabled in December 2020, together with the Digital Services Act (see above), the proposed regulation aims to ensure that markets characterised by large platforms acting as gatekeepers remain fair and contestable for innovators, businesses and new market entrants. This is believed to promote innovation, the high quality of digital products and services, fair and competitive prices, as well as a high quality and choice for business and end users in the digital sector.

[Commission proposal for a digital markets act](#)

[The Digital Services Act package \(European Commission\)](#)

Leveraging the European Union's competitiveness and global influence through an ambitious digital services package

On the basis of a [presidency note](#), ministers will be invited to exchange views (public session) on which aspects of the above-mentioned Digital Services package (Digital Services Act and Digital Markets Act) they consider as paramount to guarantee the strengthening of the digital single market and a safer online space where fundamental rights are protected and competition is free and fair.

[A digital future for Europe \(policy page\)](#)

Updating the new industrial strategy for Europe – the critical importance of securing access to critical raw materials

On the basis of a [presidency note](#), ministers will have a policy debate on the updated new industrial strategy, with a particular focus on the importance of securing access to critical raw materials. To steer the debate, the presidency circulated the following two questions:

“1. Which three elements of the updated Industrial Strategy should be prioritized in terms of policy measures to be adopted in the short/medium term? Having in mind the key role of the Internal Market, which are the three elements considered to be particularly important for the new Single Market Emergency Instrument?”

2. Will critical raw material dependencies jeopardise investments in the magnitude and pace needed to effectively activate the green and digital transitions? What raw material value chain investments do Member States intend to support through private investment, the Recovery and Resilience Facility, EU funds and/or state aid?”

Background

On 5 May 2021, the Commission adopted its communication on ‘Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery’. The Communication responds to the requests from the European Council, especially in its conclusions of October 2020 asking for the risks associated with strategic dependencies in the most sensitive industrial ecosystems and measures to mitigate them to be identified.

The starting point of the updated strategy is that the principles and priorities identified in the March 2020 industry package are still valid. The updated strategy does not replace the one published in 2020. The communication is a targeted update that focuses on what more needs to be done and which lessons have been learnt since last year.

The communication underlines the need for the EU to improve its strategic autonomy in key areas, against the background of the disruptions faced during the crisis for example in the supply chain of the health ecosystem, and more recently the shortage of semiconductors faced by the automotive industry. It presents a mapping of strategic dependencies affecting the EU’s interests, notably as regards health, security and safety, and the access to raw materials and technologies necessary for the green and digital transitions.

The Commission proposes a mix of public policy measures to address these dependencies and develop strategic capacities, ranging from stockpiling to diversified international supply chains and international partnerships with different trading partners whenever possible.

[Commission communication updating the 2020 New Industrial Strategy](#)

Conclusions on tourism in Europe for the next decade: sustainable, resilient, digital, global and social

On the basis of a [presidency proposal](#), the Council will be invited to adopt conclusions on the future of European tourism.

Tourism is a cross-cutting economic and social activity with a wide-ranging impact on regions’ economic growth, employment and social and environmental sustainable development, contributing to the preservation and promotion of European values and cultural heritage. Tourism is also the industrial ecosystem that has been most severely hit by the pandemic crisis and the one that might take the longest to recover.

Conclusions on data technologies to improve Better Regulation

On the basis of a [presidency proposal](#), the Council will be invited to adopt conclusions on how to promote the use of data technologies in support of data-driven, digital-by-default and high-quality legislation, taking due account of the overall Better Regulation framework.

[Better law-making agreement \(policy page\)](#)

[Commission communication of April 2021: “Better Regulation: Joining forces to make better EU laws and to prepare for the future”](#)

Any other business

a) Current legislative proposals

i) Regulation on foreign subsidies distorting the internal market

On the basis of a [note from the Commission](#), the Council will be informed (public session) of the main objectives sought by the recently presented proposal for a regulation on foreign subsidies distorting the internal market.

[Proposal for a regulation on foreign subsidies distorting the internal market](#)

ii) Regulation laying down harmonised rules on artificial intelligence

The Commission will present to the Council (public session) its recent proposal aimed at establishing a legal framework for trustworthy artificial intelligence and a well-functioning internal market for artificial intelligence systems.

[Proposal for a regulation laying down harmonised rules on artificial intelligence](#)

b) Trade Policy Review – An Open, Sustainable and Assertive Trade Policy

The Commission will present to the Council its recent communication on the trade policy review.

[Commission communication on the Trade Policy Review - An Open, Sustainable and Assertive Trade Policy](#)

c) EU industry competitiveness and effective harmonised standardisation

On the basis of a [joint note](#), seventeen delegations will inform the Council of what they see as the challenges currently faced by the European standardisation system.

d) Essential building blocks for a competition law and state aid framework enabling European competitiveness

On the basis of a [joint note](#), the Austrian, Belgian and Czech delegations will inform the Council of their views on what is necessary in order to update the EU legal framework for competition and state aid.

e) Work programme of the incoming presidency

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

Research and innovation

Regulation on establishing the European High Performance Computing Joint Undertaking (HPC)

On the basis of a [presidency proposal](#), the Council will be invited to agree on a general approach concerning the above-mentioned regulation.

The draft regulation, which replaces the existing one, has been aligned to the EU's multiannual financial framework for the years 2021-2027, thus making it possible for the joint undertaking to use funding from programmes such as Horizon Europe and Digital Europe, as well as from the Connecting Europe Facility. In addition, it takes into account recent technological developments such as quantum computing.

The European High Performance Computing joint undertaking (EuroHPC) aims to develop, deploy, extend and maintain in the EU an integrated world-class supercomputing and data infrastructure and develop and support a highly competitive and innovative high-performance computing ecosystem. It was established in October 2018 as a legal and financial framework, pooling resources from the EU, 32 countries, and two Private Members: the European Technology Platform for HPC and the Big Data Value Association.

Conclusions on 'Deepening the European Research Area: providing researchers with attractive and sustainable careers and working conditions and making brain circulation a reality'

On the basis of a [presidency proposal](#), the Council will be invited to adopt conclusions on possible ways to enhance the attractiveness of research careers in Europe with a view to attracting and retaining excellent researchers in the continent.

Renewing the European Research Area: how to prepare the roll-out of an ambitious ERA fit for the next decade

On the basis of a [presidency note](#), ministers will be invited to exchange views on how to prepare the roll-out of an ambitious European Research Area for the next decade. To steer the debate, the presidency circulated the following three questions:

- "1. How do Ministers view the contribution of the Research and Innovation Policies to the future of Europe and which would be their vision for 2030, including the Renewing of the European Research Area?
2. Should the achievement by 2030 of the single market for researchers and knowledge - with the adequate framework conditions and norms - be one of the objectives of the new vision, covering researchers, research organisations, the funders and the regulatory mechanism and bodies?
3. Considering that there are multiple options to achieve that vision, how do the ministers envisage the best modalities, processes and mechanisms to prepare the roll-out of ERA?"

Background

Twenty years after the creation of the European Research Area (ERA), the Council conclusions on the New ERA, together with the Commission communication on 'A new ERA for research and innovation', are the two key milestones for the foundation of a renewed ERA for the years to come.

The Commission communication 'A new ERA for Research and Innovation', issued on 30 September 2020, seeks to respond to the EU's new priorities in the green and digital transitions and to integrate the lessons learnt from the COVID-19 crisis. It contains a roadmap with fourteen key actions between 2021 and 2024, ranging from the development of common industrial technology roadmaps with R&I dimension, to creating synergies with universities and the support for researchers' career development.

[New European Research Area: Council adopts conclusions \(press release\)](#)

[Commission communication 'A new ERA for Research and Innovation'](#)

Any other business

a) Current legislative proposal: Decision on the participation of the Union in the European Partnership on Metrology jointly undertaken by several Member States

The Council will be informed (public session) of progress achieved so far in the examination of the proposed decision within the Council's preparatory bodies.

[Proposal for a decision on the participation of the Union in the European Partnership on Metrology](#)

b) Council Regulation establishing the Joint Undertakings under Horizon Europe

The Council will be informed (public session) of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies.

[Proposal for a regulation establishing the Joint Undertakings under Horizon Europe](#)

c) Mission Innovation: membership

On the basis of a [note from the Commission](#), the Council will be informed of the Commission's intention to continue its engagement in Mission Innovation's activities and governance during the second phase of the initiative, to be launched on 31 May.

d) Commission communication on the global approach to research and innovation

On the basis of a [note from the Commission](#), the Council will be informed of the global approach to research and innovation set out in the recently adopted Commission communication. The communication presents the Commission's perspective on Europe's strategy on international cooperation in research and innovation.

[Commission communication on the Global Approach to Research and Innovation](#)

e) Work programme of the incoming presidency

The Council will be informed by the Slovenian delegation of the work programme of the incoming Slovenian presidency in the field of research.

Space

Conclusions on 'New Space for People'

On the basis of a [presidency proposal](#), the Council will be invited to adopt conclusions on the need for a European approach to New Space as a driver for an innovative, resilient and competitive EU space sector.

Conclusions on 'Space for People in European coastal areas'

On the basis of a [presidency proposal](#), the Council will be invited to adopt conclusions on the need to unleash the full potential of Copernicus, Galileo and EGNOS in order to improve climate change mitigation and the quality of life of people in European coastal areas.

Towards a better positioning of the EU on Space Traffic Management

On the basis of a [presidency note](#), accompanied by a [draft roadmap](#), ministers will be invited to discuss the main building blocks of a future EU position on space traffic management. To steer the discussions, the presidency circulated the following three questions:

- “1. Do Ministers agree on the importance and need of developing a European approach on Space Traffic Management in order to ensure the protection of European citizens and their Member States, as well as to foster new EU entrepreneurial interests to better place Europe in the international fora? Is the tentative Roadmap proposed a good way forward for the Council work?
2. Due to the multiple levels of competence i) the national level, ii) the Union level and finally iii) the international level, which would be the best way forward to attain the objectives for STM and a future ESSAS- European Space Situational Awareness System, including as a stepwise approach to build technical capacity, to guarantee operational competences and to promote an adequate European regulatory framework?
3. As there are many ways of approaching STM in terms of building blocks, e.g. monitoring, coordination and regulation; operational, security and capacity building; or other combinations such as capacity development, rules and standardization and activities at international level, which would be the best combination of building blocks to develop a European approach? Which actors should be involved?”

Any other business

Work programme of the incoming presidency

The Council will be informed by the Slovenian delegation of the work programme of the incoming Slovenian presidency in the field of space.
