

BACKGROUND¹
Brussels, 27 September 2021

COMPETITIVENESS COUNCIL

Brussels, 28 and 29 September 2021

The Council will take place on Tuesday 28 and Wednesday 29 September 2021. On Tuesday 28 September, the Council will deal with research-related issues. This session will be chaired by Dr **Simona Kustec**, Slovenian Minister for Education, Science and Sport. On Wednesday 29 September, the Council will deal with internal market and industry. This session will be chaired by Minister for Economic Development and Technology **Zdravko Počivalšek** and by Minister for Public Administration **Boštjan Koritnik**.

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Research and innovation (Tuesday 28 September)

On Tuesday, the meeting will start at 09.30. In the morning, ministers in charge of research will be invited to adopt conclusions on the global approach to research and innovation, i.e. the EU strategy for international cooperation in the field of research and innovation, based on shared fundamental values and principles. Ministers will also have the opportunity to exchange views on the governance and implementation of the European Research Area.

Under AOB, ministers will receive information from the presidency on the state of play of negotiations on institutionalised European partnerships and on the virtual GenderAction conference, which was held on 8-9 July 2021. The Commission will also inform ministers about the state of play of the association of third countries to Horizon Europe.

Before ending the first day of the Competitiveness Council, ministers will have a debate over lunch on the twin transition and the future of living: directionality of R&I, the new Bauhaus initiative and missions in Horizon Europe.

The first day of the Council will conclude with a press conference led by the Slovenian presidency and Commissioner Gabriel.

Internal market and industry (Wednesday 29 September)

The Council session will resume on Wednesday with a meeting starting at 09.30. Ministers responsible for internal market and industry will kick off with a policy debate on the implementation of the updated new industrial strategy, with a focus on Europe from a 'Fit for 55' perspective from an industrial perspective. Ministers will also hold a policy debate on future-proof policy-making for the competitiveness of the EU and further fostering of the single market.

Any other business will include information from the Commission on the annual report of the Single Market Enforcement Task Force (SMET). Ministers will be informed by the Greek delegation about the joint ministerial declaration on innovation procurement in the EU. The presidency will inform ministers about the state of play of the ratification of the Unified Patent Court.

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



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PRESS
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Before ending the second day of the Competitiveness Council, ministers will have a debate over lunch on single market aspects of the updated industrial strategy.

The final day of the Council will conclude with a press conference led by the Slovenian presidency and Commission Vice-President Šefčovič.

Press briefing: Monday 27 September 2021 at 11.00

Press conferences:

Tuesday 28 September at +/- 14.45 (JUSTUS LIPSIUS press room)

Wednesday 29 September at +/- 15.30 (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](#)

RESEARCH AND INNOVATION

Global approach to research and innovation

The Council will aim to approve conclusions on a global approach to research and innovation (R&I), i.e. the EU strategy for international cooperation in the field of R&I. The conclusions identify key actions to strengthen the EU's global role in research and innovation, with a strong focus on openness and shared fundamental values and principles.

The Council adopted conclusions on the new European Research Area (ERA) on 1 December 2020, calling on the Commission and member states to consider international cooperation as one of the main priority areas for joint action.

During the Competitiveness Council of 28 May 2021, the Commission presented its [communication on the global approach to research and innovation](#), which represents Europe's strategy for international cooperation in a changing world. It builds on Europe's contribution to the global research response to the COVID-19 crisis by strengthening the geopolitical dimension of the new ERA.

The objectives of the strategy are:

- to maintain and develop multilateral cooperation in R&I based on rules and values, in particular building on the principle of openness, to help researchers and innovators around the world working together to find solutions to global challenges
- to ensure reciprocity and a level playing field in international cooperation in R&I

[Council conclusions on the new European Research Area](#)

The European Research Area

Ministers will hold a public exchange of views on the governance and implementation of the European Research Area (ERA). The outcome of the debate will provide guidance on Council conclusions on the future governance of the ERA, which are due to be approved at the November Competitiveness Council, and guidance on the continuation of the preparatory work on a 'pact for research and innovation (R&I) in Europe'. The Council conclusions on the future governance of the ERA will present a new governance structure for the ERA, and will notably include an ERA policy agenda for 2022-2024 with concrete actions.

On 16 July 2021, the European Commission presented a proposal for a 'pact for R&I in Europe', which is intended to be one of the key pillars of the new ERA. The pact invites the EU member states to commit for the coming years to:

- (i) a set of common EU principles and values for R&I
- (ii) shared priority areas for action
- (iii) investments and reforms
- (iv) a simplified policy coordination and monitoring process

The presidency will invite ministers, on the basis of a background note, to share their perspective on the following questions:

1. Will the proposed governance ensure sufficient political ownership and commitments of member states? How could this be further strengthened, in particular on high political levels? What is the role of ministerial conferences and national ERA action plans or roadmaps in this regard?



2. How and how often do you, or plan to, engage with stakeholder organisations at your national level(s), and how should stakeholders at EU level be involved more systematically?
3. How should third countries be involved in the future ERA governance, and should there be a distinction in this respect between countries associated to Horizon Europe and other partner countries?

The Council adopted conclusions on the new ERA on 1 December 2020, which called on the Commission and the member states to agree on an ERA policy agenda in 2021 to translate the goals of the 'new ERA' into concrete actions.

With the adoption of Council conclusions on 'deepening the ERA: providing researchers with attractive and sustainable research careers and working conditions and making brain circulation a reality' on 28 May 2021, the Council started the implementation of the new ERA by promoting researcher mobility, skills and career development opportunities and better knowledge-sharing. The Council furthermore stressed the need for the Commission and the member states to co-create and jointly implement a new ERA that enables EU member states, research institutions, scientists, businesses and citizens alike to benefit.

In September 2020, the Commission issued its communication on 'a new ERA for R&I', which proposes a new and comprehensive framework for the ERA with a high level of ambition.

The ERA was launched 20 years ago. Since then, it has contributed to significant progress in areas such as research infrastructures, open science, international cooperation, gender balance in research and innovation, joint programming and the mobility of researchers. However, despite these achievements, progress on the ERA's implementation has been slowing down in recent years and disparities between countries and regions still exist.

[Commission proposal for on a pact for research and innovation in Europe](#)
[Council conclusions on deepening the European Research Area](#)
[Council conclusions on the new European Research Area](#)

Any other business

a) Institutionalised European partnerships

In public session, the presidency will provide an update on the state of play of the negotiations of the regulation establishing the joint undertakings, also referred to as the Single Basic Act. The aim is to inform delegations about progress of the proposal and the timeline for adoption. The presidency will also update delegations on the ongoing interinstitutional negotiations on the proposal for a decision on the participation of the EU in the European Partnership on Metrology jointly undertaken by several member states.

b) Virtual GenderAction conference, 8-9 July 2021

The presidency will provide information on the virtual GenderAction conference. This conference was a joint event organised by the presidency and the Horizon 2020 GenderAction project. The conference, entitled 'Deepening the ERA through gender equality', provided a platform for member states, research funders, ERA stakeholders and experts to reflect on the recent advances in gender equality at national and European level and emerging needs to be addressed in the new ERA.

[Information from the presidency](#)



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c) Association of third countries to Horizon Europe

The Commission will provide an update on the state of play in the association of third countries to EU programmes, in particular Horizon Europe. The aim is to inform delegations of the progress made so far and of plans until the end of the semester.

INTERNAL MARKET AND INDUSTRY

The new industrial strategy for Europe: ‘Fit for 55’ from an industrial perspective

The Council will hold a public policy debate on the impact of the new climate and energy package on the economy and industry. Ministers will discuss the biggest challenges and opportunities for businesses arising from the ‘Fit for 55’ climate package and the transition towards climate neutrality. Ministers will look at the possible pathways for ensuring a fair, competitive and green transition of the EU economy up to 2030 and beyond, and will consider how the updated new industrial strategy can support this green transition.

Even though the ‘Fit for 55’ package does not fall within the immediate area of responsibility of the Competitiveness Council configuration, the presidency has identified this as an opportunity to share knowledge and experience and engage jointly in a collaborative monitoring exercise in a transparent and coherent manner. This would allow the Competitiveness Council to effectively contribute to the implementation of the ‘Fit for 55’ package by identifying areas, industrial ecosystems and actions that require particular attention to successfully accelerate the green transformation of industries and ensure their competitiveness.

The presidency has prepared a [background document](#) and has invited ministers to express their views on the following two points:

1. Which elements, presented by the Commission's ‘Fit for 55’ package, do you consider as the biggest challenges and opportunities for the competitiveness of the EU industry?
2. What do member states consider to be the best focus and useful elements to facilitate a joint monitoring and sharing the knowledge and experiences on the ‘Fit for 55’ package from an industrial perspective?

Background

Updated new industrial strategy for Europe

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 starting point of the updated strategy is that the principles and priorities identified in the March 2020 industry package are still valid. The communication is a targeted update that focuses on what else needs to be done and what 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 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 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.

‘Fit for 55’ legislative package

On 14 July 2021, the Commission adopted its ‘Fit for 55’ legislative package consisting of a communication entitled ‘Fit for 55: delivering the EU’s 2030 climate target on the way to climate neutrality’. Overall, the package updates eight existing pieces of legislation and presents five new initiatives, across a range of policy areas and economic sectors: climate, energy and fuels, transport, buildings, land use and forestry.

The ‘Fit for 55’ package is a set of proposals to revise and update EU legislation and to put in place new initiatives with the aim of ensuring that EU policies are in line with the climate goals agreed by the Council and the European Parliament.

The package aims at providing a coherent and balanced framework for reaching the EU’s climate objectives that is fair and socially just, maintains and strengthens innovation and the competitiveness of EU industry while ensuring a level playing field vis-à-vis third-country economic operators, and underpins the EU’s position as a leader in the global fight against climate change.

[Commission communication: ‘Updating the 2020 new industrial strategy: building a stronger single market for Europe’s recovery’](#)

[Fit for 55: the EU’s plan for a green transition \(policy page\)](#)

Future-proof policy-making for the competitiveness of the EU and further fostering of the single market: joining forces to make better laws

Ministers will hold a public policy debate, on the basis of a presidency note, on future-proof policy-making to improve the competitiveness of the EU and further foster the single market, which is part of the better regulation agenda. The aim of the policy debate is to raise awareness on the importance of a clear, predictable, coherent and future-proof legislative framework, especially in times of pandemic and economic recovery, while also giving the Commission an opportunity to present its recent communication.

During the debate, ministers are invited to reflect on the following point:

- a) In the Commission 2021 Better Regulation Communication, which elements do you consider to be most important for increasing the competitiveness of the EU economy and further fostering the single market, and what are the challenges for their implementation?

Better regulation is one of the key drivers of sustainable and inclusive economic growth, fostering competitiveness and innovation, enabling digitalisation and job creation, and increasing transparency and public support for EU legislation. In these times of pandemic, better regulation is key to Europe’s recovery.

In 2019 the Commission published a stocktake of its better regulation policy, which identified the need to further improve consultation mechanisms and the quality of impact assessments, while still focusing on simplifying and reducing unnecessary burdens.

On 29 April 2021 the Commission adopted the communication on better regulation, the general aim of which is to promote the twin transition – green and digital – and to further improve evidence-informed policy-making and simplify stakeholder consultations. The communication focuses on the improvement of existing better regulation tools and instruments, such as impact assessments and stakeholders consultations.



The communication revolves around the concept that better regulation is a shared responsibility, and underlines the importance of joining forces to achieve the intended results of better regulation. It is an important step forward in making sure that legislation works and is in line with European policy objectives, helping to create a resilient and competitive EU economy while protecting consumers and allowing industry to innovate.

During the Competitiveness Council of 27 May 2021, the Council adopted 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.

[Council conclusions on data technologies to improve 'better regulation'](#)

[Commission communication: 'Better regulation: joining forces to make better laws'](#)

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

ANY OTHER BUSINESS

a) The Single Market Enforcement Task Force (SMET)

The Commission will report on the activities of the Single Market Enforcement Task Force (SMET). SMET is one of the main components of the action plan for better implementation and enforcement of single market rules adopted in March 2020 as part of the European industrial strategy. It can identify how to deal with barriers, jointly devise and implement solutions, ensure a consistent approach and act rapidly.

[Information from the Commission](#)

b) Joint ministerial declaration on innovation procurement in the EU

The Greek and Italian delegation will inform the Council about the joint ministerial declaration on innovation procurement in the EU.

[Information from the Greek delegation](#)

c) Unitary patent and Unified Patent Court

The Slovenian presidency will inform the Council about the state of play as regards national ratifications of the Unified Patent Court Agreement (UPCA) and the protocol on the provisional application of the UPCA, and will provide an indicative forecast on the remaining steps for the entry into force of the UPCA.

Information from the Slovenian presidency (*will be added once available*)