



Competitiveness Council Brussels, 2 March 2023

Internal market and industry

The meeting of ministers responsible for the internal market and industry will start at 9.30.

In public deliberation, ministers will be invited to adopt a position (general approach) on the directive concerning financial services contracts concluded at a distance, and on the regulation on data collection and sharing relating to short-term accommodation rental services.

Ministers will also hold a policy debate on the long-term competitiveness and productivity of the internal market, which will mark at the occasion of the 30th anniversary of its creation.

Under any other business:

- the presidency will provide an update on the unitary patent system and the unitary patent court
- the presidency and the Commission will provide an update on the follow-up the EU-Ukraine summit

During the informal lunch, there will be a debate on the Green Deal industry plan for the net-zero age.

Following the Council, there will be a press conference led by Swedish Minister Busch, the Commission Executive Vice-President Vestager and Commissioner Breton.

Chair: Ebba Busch, Swedish Minister for Energy, Business and Industry and Deputy Prime Minister

Press conference: Thursday 2 March at +/- 15.30 (Justus Lipsius press room)

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[Competitiveness Council \(Internal market and industry\)](#) – meeting page

[Public events by video streaming](#)

[Press conference by video streaming](#)

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

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¹ This note has been drawn up under the responsibility of the Press Office.

Financial services at a distance

Ministers will aim to establish a general approach on the Directive concerning financial services contracts concluded at a distance.

The general approach will enable the Council to start negotiations with the European Parliament once the Parliament has voted on its own position.

With the development of IT technologies, an increasing number of retail financial services, such as credits, investments, insurance or pension plans, are being offered and concluded on-line. These trends, which have become increasingly widespread following the COVID-19 pandemic, required an update of the existing legislation on the issue, the 2002 directive on distance marketing of consumer financial services.

On 11 May 2022, the Commission presented a proposal for a Directive for financial services concluded at a distance, which aims to provide for better consumer protection, and to ensure a level playing field in the internal market. The Commission proposed to repeal the 2002 directive, and to introduce the modernised provisions for financial services contracts concluded at a distance into the horizontally applicable Consumer Rights Directive.

The Council position modifies the level of harmonisation concerning information obligations, clarifies the scope of the application and the links with the product-specific legislation, as well as the modalities to exercise the right of withdrawal from a contract.

[European Commission Proposal on financial services contracts concluded at a distance](#)

[Consumer Protection \(background information\)](#)

Short-term accommodation rental services

Ministers will aim to establish a general approach on the Regulation on data collection and sharing relating to short-term accommodation rental services.

The general approach will enable the Council to start negotiations with the European Parliament once the Parliament has voted on its own position.

The renting of apartments, houses or rooms for a few days has become an increasingly important part of the tourist sector offer. Short-term accommodation rentals represent nearly 25% of the EU's supply of tourist accommodation. The phenomenon has been boosted with the emergence of online platforms offering these services. Many of them provide their services across borders and hence in the internal market.

While short-term rental activities bring benefits for guests, hosts and the tourist industry, they are also cause of concern, in particular for local communities that must deal with excessive tourism flows, increased rental prices and a lack of affordable long-term housing. Many public authorities at national, regional, and local level have taken measures to regulate this activity. However, authorities have encountered difficulties in obtaining reliable data from platforms and, at the same time, hosts and platforms have experienced difficulties in responding to the differing data requests submitted by various authorities.

In this respect, on 13 July 2022, a coalition of tourist cities, known as the "European Cities Alliance on Short-Term holiday rentals", called on the Commission to propose legislation on registry and data sharing to better control the activities of platforms and hosts at local level.

In March 2020, the Commission had already signed a voluntary agreement with the largest online platforms for short-term rentals on data sharing. This has allowed Eurostat to collect data on this activity, but the agreement was not relevant for enforcement.

On 7 November 2022, the Commission published its proposal for a Regulation to harmonise and streamline the collection and sharing of data for hosts and platforms of short-term rentals. The proposal is limited to the creation of an easy-to-use registration system with common provisions for establishing registration procedures for those member states that wish to do so.

[General approach](#)

[Proposal for a regulation on data collection and sharing relating to short-term accommodation rental services](#)

[Data protection in the EU \(Background information\)](#)

Long-term competitiveness and productivity in the internal market

Ministers will hold a policy debate on long-term competitiveness and productivity, which will coincide with the 30th anniversary of the creation of the internal market.

The competitiveness and productivity of the European economy is a priority of the Swedish presidency and this issue has been high in the political agenda over the past few months.

On 15 December, the European Council called on the Commission to propose short and long-term measures to address current and future challenges to Europe's competitiveness, such as the growth and innovation gap between the EU and its global competitors. Leaders stressed the importance of an ambitious European industrial policy to make Europe's economy fit for the green and digital transitions and to reduce strategic dependencies.

With a view to ensuring resilience and competitiveness, the European Council invited the Commission to make proposals by the end of January 2023 in order to mobilise all relevant national and EU tools and improve framework conditions for investment.

On 1 February, in response to this invitation, the Commission adopted the Green Deal Industrial plan for the near-zero age, which ministers will discuss informally at lunch time. This communication came shortly after the publication of the annual single market report and the single market scoreboard, which were made public on 23 January 2023.

Ministers had already had a discussion on the short-term measures and long-term goals in relation to the green transition at the informal Competitiveness Council on 7 February 2023. This discussion was based on a note prepared by the presidency. Ministers will continue their discussions, this time on long-term measures to boost competitiveness and harness the full potential of the internal market.

To mark the 30th anniversary of the internal market, the European Parliament held a debate on 16 January 2023 followed, one month later, by a resolution called 'An EU strategy to boost industrial competitiveness, trade and quality jobs'.

The Commission is expected to publish its strategy to boost competitiveness ahead of the European Council on 23-24 March, which should discuss the issue again.

[Background Document - Long-term competitiveness and productivity in the internal market](#)

[Priorities of the Swedish Presidency](#)

[European Council conclusions, 15 December 2022](#)

[Annual single market report](#)

[Informal meeting of Competitiveness ministers in Stockholm 6-7 February 2023](#)

[Resolution of the European Parliament on An EU strategy to boost industrial competitiveness, trade and quality jobs](#)

[EU industrial policy \(background information\)](#)

Any other business

Unitary Patent and Unified Patent Court

The Presidency will inform ministers on the state of play of the unitary patent system and unitary patent court.

[Note - Unitary Patent and Unified Patent Court - state of play - Information from the Presidency](#)

Follow-up to the EU-Ukraine Summit

The Presidency and the Commission will inform ministers on the follow up to the EU-Ukraine summit.

[Background document – Follow up of the EU-Ukraine summit](#)

Working lunch

Over a lunch, ministers will discuss the Green Deal industry plan for the net zero-age

[Green Deal industrial plan for the near-zero age](#)