



Council of the
European Union

075595/EU XXV. GP
Eingelangt am 07/09/15

EN

9385/15

(OR. en)

PRESSE 37
PR CO 29

OUTCOME OF THE COUNCIL MEETING

3392nd Council meeting

Competitiveness (Internal Market, Industry, Research and Space)

Brussels, 28 and 29 May 2015

Presidents

Dana Reizniece-Ozola

Minister for Economics

Māriņe Seile

Minister for Education and Science
of Latvia

P R E S S

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6319 Fax: +32 (0)2 281 8026
press.office@consilium.europa.eu <http://www.consilium.europa.eu/press>

9385/15

1
EN

CONTENTS¹

ITEMS DEBATED

INTERNAL MARKET AND INDUSTRY	4
Digital single market policy: the digital transformation of European industry	4
Travel packages.....	6
Consumer product safety and market surveillance package	7
Single-member private limited liability companies	8
RESEARCH AND INNOVATION.....	9
European Research Area: roadmap 2015-2020 and more effective governance	9
Open, data-intensive and networked research: drivers for innovation.....	10
Towards open and excellent European science: 'Science 2.0'.....	11
ANY OTHER BUSINESS.....	12
– Trade mark reform.....	12
– Unitary patent protection system.....	12
– Defence and security industries.....	13
– SME policy and Small Business Act.....	13
– Follow-up on internal market and industry conclusions.....	14
– Work programme of the upcoming Luxembourg Presidency.....	14

OTHER ITEMS APPROVED

TRADE POLICY

– Textile imports	15
– Safeguard measures - Norway - Codification.....	15

¹

- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

FOREIGN AFFAIRS

- Stabilisation and Association agreements - Codification 16

JUSTICE AND HOME AFFAIRS

- EU-USA Transatlantic cooperation..... 16

GENERAL AFFAIRS

- European citizens' initiative..... 17

TRANSPORT

- EU-wide real-time traffic information services..... 18

AGRICULTURE

- Pesticides - Maximum residue levels 19

ITEMS DEBATED

INTERNAL MARKET AND INDUSTRY

Digital single market policy: the digital transformation of European industry

The Council exchanged views on digital single market policy and adopted [conclusions on the digital transformation of European industry](#).

The outcome of the exchange of views and the conclusions will be a valuable contribution to the planned discussions on digital single market policy at the **European Council** on 25-26 June 2015.

The Commission outlined the challenges lying ahead in the implementation of the new digital single market strategy, and how the strategy will operate to unleash the full potential of Europe's digital economy to deliver growth and jobs.

Ministers agreed that the strategy covers the most important issues for completing the digital single market.

Many referred to the importance of suitable copyright rules, updated e-commerce rules, interoperability, digital skills, increased consumer confidence, awareness and protection and effective data protection rules.

The priority actions to be taken in particular areas addressed the need to:

- facilitate digital tools and create the right framework conditions for SMEs, in particular for start-ups;
- remove barriers that create bottlenecks to the digital market;
- promote the digitalisation of European industry and take advantage of its potential for growth and jobs, including through cooperation with industrial clusters;
- examine fiscal aspects with an impact on digital tools;
- apply e-governance in public administrations;
- reflect on a level playing field for digital platforms;
- increase investment in digital infrastructures and networks;
- consider applying the 'digital by default' principle to all new EU legislation.

The [digital single market strategy for Europe](#), released by the Commission on 6 May 2015, seeks to make a better use of the great opportunities offered by digital technologies by removing barriers which curb economic growth. It builds on three strands:

- better online access to goods and services for consumers and businesses;
- setting up the right conditions and a level playing field for networks and innovative services;
- expanding the growth potential of the digital economy.

The strategy includes a roadmap of legislative and non-legislative measures to be delivered by 2016 in line with smart regulation principles.

Last March, EU industry ministers discussed the need to incorporate aspects of industrial policy in the digital single market strategy. They noted several obstacles that prevent industry from embracing digital innovations and tools (see press release [6715/15](#), page 6).

These aspects are addressed in the conclusions on the digital transformation of European industry.

Travel packages

By qualified majority, the Council confirmed a political agreement on the reform of the Travel Package Directive.

Seven delegations voted against: Austria, Belgium, Estonia, Ireland, Malta, the Netherlands and Slovakia.

The new directive will update the EU rules on package holidays by adapting to travel market developments in order to meet the needs of consumers and businesses in the digital era.

It will extend the protection for traditional packages to combinations of separate travel services, in particular if sold online.

For more details see [press release](#).

Consumer product safety and market surveillance package

In public deliberation, the Council discussed the consumer product safety and market surveillance package.

The debate focused on the way forward to solve the only pending political issue of the package, which relates to a proposed provision requiring a mandatory indication of origin marking for consumer products, known as the 'made-in' labelling clause.

In spite of all efforts made by the Presidency, an agreement on a general approach could not be achieved.

The debate took place against the background of a cost/benefit [study](#), issued by the Commission on 6 May, on the impact of the implementation of the made-in clause for six categories of manufacturing products: toys, domestic appliances, consumer electronics, textiles, footwear and ceramics.

Last December, the Council had asked the Commission to present further evidence on the costs and benefits of the proposed mandatory marking of origin with the aim of moving the negotiations forward.

Currently there is no mandatory origin-labelling requirement within the EU that applies to non-food consumer products. Producers are free to label the products with the country of origin if they so wish.

The Commission presented the package in February 2013. It is made up of two draft regulations: one on consumer product safety and another on market surveillance.

Single-member private limited liability companies

Following a debate, the Council reached an agreement on a compromise text tabled by the Presidency of a draft directive aimed at creating a new status for single-member private limited liability companies.

The agreement constitutes the [Council's general approach](#) which will serve as the basis for forthcoming negotiations with the European Parliament. The agreement was not supported by Austria, Belgium, Germany, Spain and Sweden.

The draft directive aims to facilitate the cross-border activities of businesses, particularly SMEs, and the establishment of single-member companies as subsidiaries in other member states, by reducing the costs and administrative burdens involved in setting up these companies. This will enable businesses to enjoy the full benefit of the internal market.

To achieve this objective, the draft directive introduces a common framework governing the formation of single-member companies.

Member states would have to ensure that their national legal systems provided for a form of company that complied with common rules established in the directive. Thus, it would be a national legal form and not a European one. Under a common name, it would have an EU-wide abbreviation: SUP (*Societas Unius Personae*).

For more details see [press release](#).

RESEARCH AND INNOVATION

European Research Area: roadmap 2015-2020 and more effective governance

In its conclusions, the Council endorsed a [roadmap for the European Research Area](#) (ERA) and set out the next steps to improve its governance.

The purpose of the roadmap, which covers the years 2015 to 2020, is to identify and focus on measures that can provide the greatest benefits for Europe's science, research and innovation systems.

Those measures are to be anchored in the key priorities agreed for the ERA, which 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; and optimal circulation and transfer of scientific knowledge, including via a digital ERA. International cooperation in research is considered a sixth priority.

The [conclusions](#) call on the member states and the Commission to start the implementation of the top action priorities identified in the roadmap through appropriate actions in their action plans or strategies by mid-2016.

In February 2014, the [Council conclusions](#) called for the EU member states, in close cooperation with the Commission, to develop an ERA roadmap at European level by mid-2015. This should facilitate and reinforce the efforts undertaken by the member states.

The Council adopted a separate set of [conclusions on reviewing ERA governance](#) to make the advisory structure of the ERA more efficient and effective.

The advisory work for the development of the ERA is currently undertaken by the European Research Area and Innovation Committee (ERAC) and a number of other ERA-related groups which include: the European Strategy Forum on Research Infrastructures (ESFRI), the Strategic Forum for International Science and Technology Cooperation (SFIC), the High Level Group on Joint Programming (GPC), the Helsinki Group on Gender in Research and Innovation (HG), the ERA Steering Group on Human Resources and Mobility (SGHRM) and the ERAC working group on knowledge transfer (KT).

The ERA is the cornerstone of the [Innovation Union](#) flagship initiative to address major challenges in society. It is also a crucial component of the EU's strategy for growth and jobs.

Open, data-intensive and networked research: drivers for innovation

The Council adopted [conclusion](#) on open, data-intensive and networked research as a driver for faster and wider innovation.

The conclusions express political support for setting the right framework conditions for research and innovation focused on big data and for strengthening the whole data value chain in Europe.

They stress the importance of data as fuel for entrepreneurship, digital transformation of industry and the development of new business models, ideas and innovative start-ups.

On 6 May 2015, the Commission issued a communication entitled 'A digital single market strategy for Europe' which highlights, among other things, the need for investment in ICT infrastructures and technologies such as cloud computing and big data.

Last March, the Council held a preliminary discussion on ways in which to boost innovation through open, networked and data-intensive research.

On that occasion, ministers emphasised that the research perspective should be taken into account when discussing issues such as data protection and copyright, cyber-security, data storage and management, interoperability of networks and standardisation, and data-sharing conditions.

The digital economy, innovation and services are drivers for growth and jobs.

Towards open and excellent European science: Science 2.0

The Council held a policy debate on open and excellent science, as a follow-up to the Science 2.0 public consultation carried out by the Commission.

Many delegations supported the main thrust of the recommendations emerging from the [consultation](#) and expressed interest in the idea of developing a European open science agenda.

This process could contribute to the further development of the ERA and to increase the quality and impact of science as well as spreading excellence and widening participation in research and innovation.

Adequately and actively engaging researchers, students, universities, funding bodies, businesses and other stakeholders in the open science process was an essential precondition for its success.

Other specific actions that could be taken to move towards a wide open science concept, include:

- removing barriers to the free flow of data, taking into account adequate protection to prevent abuses;
- designing appropriate incentives and developing common standards for data sharing, and promoting data literacy;
- facilitating greater access to publicly funded scientific publications;
- integrating open science into education programmes.

Some countries announced that they are starting to integrate aspects of open science into their national programmes.

Last March, the Council took note of the outcome of a [public consultation](#) on Science 2.0, which refers to the transition in the way research is performed, researchers collaborate, knowledge is shared and science is organised.

In July 2014, the Commission launched a consultation on Science 2.0, focusing on the new trends in research and organising science. It gathered the views of many different stakeholders on the future of science, taking into account new trends such as more open, digital and data-driven science.

ANY OTHER BUSINESS

– *Trade mark reform*

The Council took note of the provisional agreement reached between the Presidency of the Council and European Parliament representatives on 21 April.

See press release: [Trade marks reform: presidency secures provisional agreement](#)

The agreement on the political aspects has to be incorporated in the final texts with a view to submitting them for endorsement by the Permanent Representatives Committee (Coreper) in June.

The process of the adoption of the Council's position at first reading will start immediately thereafter.

– *Unitary patent protection system*

The Council took note of [updated information](#) about how the implementation of the unitary patent protection system is progressing. The information was given by the Commission and the chairs of the two committees in charge of preparations for the establishment of the system and of the Unified Patent Court.

Several member states and the Commission recalled the importance of completing the ratification procedures as soon as possible so that the system can be in place by 2016.

A number of member states and the Commission underlined the importance of setting affordable levels of fees to make the system more attractive to SMEs.

– ***Defence and security industries***

The Council took note of a report by the Commission on the implementation of a communication on defence. It was first presented to the **Foreign Affairs Council** on 18 May, which also approved conclusions.

The contribution of the Commission and the High Representative to upcoming discussions on defence matters at the **European Council** on 25-26 June, comprises:

- A [report](#) which provides an update on the EU's progress in promoting a European Defence and Technological Industrial Base, most notably in the areas of the internal market, research and industrial policies.
- A [report](#) which presents an overview on the EU's activities in security and defence since December 2013.

In July 2013, the Commission presented a communication entitled 'Towards a more competitive and efficient defence and security sector'. The communication announced a roadmap with actions and timelines, which was published on 24 June 2014 under the title 'A New Deal for European Defence: Implementation Roadmap'.

– ***SME policy and Small Business Act***

At the request of the German delegation, the Council took note of information by the Commission on the course of action for a review of the Small Business Act.

The Commission explained that the SME dimension would have to be clearly reflected in the upcoming internal market strategy for goods and services and in mainstreaming industrial competitiveness in EU policies.

– ***Follow-up on internal market and industry conclusions***

The Council took note of a [report](#) on the follow-up to the conclusions on internal market and industry adopted in December 2013.

The report was drawn up by the High level working group on competitiveness and growth, a specific Council working party established in October 2014.

One of the high level group's main tasks is to monitor the implementation of Council conclusions in order to help member states and the Commission ascertain the progress made.

– ***Work programme of the upcoming Luxembourg Presidency***

The Luxembourgish delegation informed ministers about the Presidency's work programme on competitiveness for the second half of 2015.

The upcoming EU Presidency will seek to take forward initiatives with European added value and reduce the cost of non-Europe. It will concentrate on actions in the area of better regulation to promote growth and jobs.

An important aspect will be to reinforce the coherence of EU policies.

In the field of research and innovation, it will endeavour to boost initiatives that will contribute to the implementation of the European Research Area.

(<http://www.eu2015lu.eu/>).

OTHER ITEMS APPROVED

TRADE POLICY

Textile imports

The Council adopted a regulation recasting rules on imports of textile products from certain third countries not covered by bilateral agreements or other arrangements or by specific import rules.

[2015 regulation on textiles imports from third countries not covered by bilateral arrangements.](#)

It also approved a regulation repealing regulation 3030/93 on common rules for imports of certain textile products from third countries.

Following Russia's accession to the WTO in 2012, Serbia was the last country with which the EU had a bilateral agreement on trade in textiles. After the signing of the EU's stabilisation and association agreement with Serbia in 2008, and the entry into force in 2010 of an interim agreement on trade and trade-related matters with Serbia, regulation 3030/93 no longer applied to imports from Serbia. The regulation is therefore being repealed for reasons of legal certainty.

Safeguard measures - Norway - Codification

The Council adopted a codified version of a regulation on the safeguard measures provided for in the agreement between the European Economic Community and Norway ([PE-CONS 14/15](#)).

The new regulation replaces the various acts incorporated into regulation 1692/73, while fully preserving their content.

FOREIGN AFFAIRS

Stabilisation and Association agreements - Codification

The Council adopted codified versions of regulations related to Stabilisation and Association agreements with Albania ([PE-CONS 16/15](#)), Bosnia and Herzegovina ([PE-CONS 17/15](#)) and the former Yugoslav Republic of Macedonia ([PE-CONS 18/15](#)).

The new regulations replace the various acts incorporated in the original regulations, while fully preserving their content.

JUSTICE AND HOME AFFAIRS

EU-USA Transatlantic cooperation

The Council noted the lines of approach of the [draft renewed EU-US Statement Enhancing Transatlantic cooperation in the area of Justice, Freedom and Security](#) and authorised the Presidency, with the Commission, to continue discussing the text with the US on that basis, with a view to the adoption of the Statement at the next EU-US Justice and Home Affairs ministerial meeting in Riga, Latvia, on 2-3 June 2015.

GENERAL AFFAIRS

European citizens' initiative

The Council decided not to object to a Commission regulation concerning certain technical amendments to regulation 211/2011 on the European citizens' initiative ([8120/15](#)).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force unless Parliament objects.

TRANSPORT

EU-wide real-time traffic information services

The Council decided not to object to a corrigendum to the Commission delegated regulation on EU-wide real-time traffic information services. The Commission regulation supplements directive 2010/40/EU, which is aimed at speeding up the deployment of intelligent transport systems across Europe. The corrigendum concerns only the inappropriate use of the word 'namely' with regard to some categories of data. As the change affects several language versions of the text, a new period for reactions from the Council and Parliament was launched by the Commission.

The regulation as corrected is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless Parliament objects.

[Corrigendum to Commission regulation on real-time traffic information services](#)

[Commission regulation on real-time traffic information services](#)

[Commission regulation on real-time traffic information services - data categories](#)

AGRICULTURE

Pesticides - Maximum residue levels

The Council decided not to oppose the adoption of a Commission regulation amending annexes II and III to regulation 396/2005 as regards maximum residue levels (MRLs) for difenoconazole, fluopicolide, fluopyram, isopyrazam and pendimethalin in or on certain products ([8296/15](#)).

It also decided not to oppose amending annexes II, III and V to regulation 396/2005 as regards MRLs for azoxystrobin, dimoxystrobin, fluroxypyr, methoxyfenozide, metrafenone, oxadiargyl and tribenuron in or on certain products ([8160/15](#)).

Regulation 396/2005 establishes the maximum pesticide residue levels (MRLs) permitted in products of animal or vegetable origin intended for human or animal consumption. The MRLs include, on the one hand, levels which are specific to particular foodstuffs intended for human or animal consumption and, on the other, a general limit which applies where no specific level has been set. MRL applications are communicated to the European Food Safety Authority (EFSA) which issues a scientific opinion on each intended new MRL. Based on EFSA's opinion, the Commission proposes a regulation to establish a new MRL or to amend or remove an existing MRL and modifying the annexes to regulation 396/2005 accordingly.

These Commission regulations are subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission can adopt them, unless Parliament objects.
