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NOTE

From:	Presidency
To:	Permanent Representatives Committee
Subject:	Work programme of the High Level Working Group on Competitiveness and Growth - Approval of the work programme

1. On 31 October 2014, the Permanent Representatives Committee approved the establishment of a High Level Working Group on Competitiveness and Growth (COMPCRO HLG) with the mandate to *"monitor the state of Single Market integration and discuss the policy priorities set out in the relevant documents, including within the European Semester"* and *"support the Council in its reinforced role of monitoring and mainstreaming competitiveness, in particular industrial competitiveness"*¹.

The Committee agreed on arrangements concerning the membership of the COMPCRO HLG, the appointment of its chair and its work programme. In particular relating to the work programme, the Committee agreed that *"in order to align the COMPCRO HLG's agenda with the Trio Presidency Programme of the Council, the High Level Working Group will have a work programme, with a duration corresponding to the 18-month Trio Programme, taking into account the Commission's work programme, and which will be submitted for consideration and approval to the COREPER"*.

¹ Doc 15006/14.

2. According to the above agreement, the current Trio Presidencies, the Netherlands, Slovakia and Malta, appointed the chair and vice-chairs of the group and prepared a draft work programme for the period from January 2016 to June 2017, which was sent to Member States for comments.
 3. At the meeting of the COMPCRO HLG on 11 January 2016, Member States expressed broad support for the above draft work programme proposed by the Chair, exchanged views, made suggestions and endorsed a revised version for submission to COREPER for consideration and approval.
 4. The Permanent Representatives Committee is invited to consider the draft work programme of the COMPCRO HLG for the period from January 2016 to June 2017, as set out in the Annex together with an explanatory note, and approve it.
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Explanatory note to the draft Work Programme of the High-Level Working Group on Competitiveness and Growth for January 2016 – June 2017

The year 2015 has been an important transitional period for the High Level Working Group on Competitiveness and Growth (HLG). It was set up by COREPER in October 2014 as a Working Party in its own right, with the mandate to carry out the non-legislative task to *"monitor the state of Single Market integration and discuss the policy priorities set out in the relevant documents, including within the European Semester"* and *"support the Council in its reinforced role of monitoring and mainstreaming competitiveness"*². In particular in relation to the work programme, COREPER agreed that the HLG agenda should be aligned with the Trio Presidency Programme with a work programme having a duration corresponding to the 18-month Trio Programme, taking into account the Commission's work programme (CWP). In early 2015 the HLG was endowed with a stable membership, a chair and two vice-chairs appointed by the Trio Presidencies composed by Italy, Latvia and Luxembourg with a mandate and a work programme for the whole 2015. The important developments in the structure of the HLG in the past year appear to have provided greater stability mainly due to the possibility of a longer-term planning and have enhanced its visibility.

This draft work programme covers the Trio Presidencies period of the Netherlands, Slovakia and Malta (January 2016 – June 2017). The Trio Presidencies acknowledge the progress that has been made in the last year. This format aims to continue the progress made in 2015 and further improve the quality and output of the HLG debates to give guidance to the Commission and to deepen our understanding of issues to better prepare our Ministers for a well-prepared political debate in Council. By becoming more concrete, focused and relevant the HLG can better fulfil its role in supporting, through COREPER, the (Competitiveness) COMPET Council in the monitoring and mainstreaming of competitiveness, as well as in the monitoring of the state of the Single Market integration. The HLG will give strategic orientations on EU policies within the remit of its above mentioned mandate.

It is the first time that the HLG work programme is being presented in this format. During the meeting of the HLG on 13 October 2015, the upcoming Trio Presidencies presented the highlights of this programme. In November 2015, it was sent to the HLG members for comments. Member States will be given the opportunity to discuss the draft work programme during the HLG meeting of 11 January 2016, after which the Permanent Representatives Committee will be invited to consider and approve it as the work programme of the HLG for January 2016 – June 2017 on 20 January 2016.

² Doc. 15006/14

The proposed elements for the HLG work programme aim at focusing the activities of the HLG on its core role, namely to provide concrete and timely input on new initiatives to the Commission and to Member States for the preparation of the COMPET Council (via COREPER). Furthermore, its role is to contribute to discussions in the COMPET Council by linking new developments and deepening its discussions. The HLG also facilitates an exchange of views with external stakeholders and experts on important issues, which helps form impressions about the views from EU businesses on issues about the Single Market, industry and competitiveness.

There is a need to select a limited number of top priority issues, out of the wide range of subjects that are of relevance for EU competitiveness, for consideration by the HLG during January 2016 – June 2017. In this regard it is also important to note that the limited amount of time available makes such a choice unavoidable. The Single Market for goods and services, the Digital Single Market, industry (smart industry especially), better regulation, competitiveness mainstreaming, SMEs and the micro-economic dimension of the European Semester are amongst these priority issues. At the same time, it is crucial to avoid duplication of work with other working parties or instances. To further strengthen the coordination between the different bodies, the HLG will improve relationships with relevant bodies, such as the EPC, EPG, IMAC and SME envoys. The HLG will follow up on the Council Conclusions stock-taking exercise carried out in 2015, by referring to previous Council Conclusions in the relevant future discussion in the HLG.

Additionally, the HLG should be able to react to new developments and take up urgent matters where necessary. Therefore there is a need for keeping a certain degree of flexibility in setting its agendas. Delegations should also have the possibility to propose items for discussion.

**HIGH-LEVEL WORKING GROUP ON COMPETITIVENESS AND GROWTH
DRAFT WORK PROGRAMME January 2016 – June 2017**

Policy area	Deliverable	The Netherlands (01/2016- 06/2016)	Slovakia (07/2016 – 12/2016)	Malta (01/2017 – 06/2017)
European Semester micro-economic dimension (AGS 2016)	<ul style="list-style-type: none"> - Further streamlining the European Semester, in coordination with other relevant bodies. - Better follow-up on micro-economic issues in the framework of the European Semester and reflecting on recommendations to tackle barriers to growth and investment. 	<ul style="list-style-type: none"> - Review progress on Better follow-up on micro-economic issues in the framework of the European Semester and reflecting on recommendations to tackle barriers to growth and investment. - Review performance of the Single Market and share best practices used to overcome national barriers in the Single Market. - Prepare the lunch debate of the COMPET Council of 29/02 about the implementation of CSRs and other relevant recommendations. 	<ul style="list-style-type: none"> - Review progress on Better follow-up on micro-economic issues in the framework of the European Semester and reflecting on recommendations to tackle barriers to growth and investment. - Review performance of the Single Market and share best practices used to overcome national barriers in the Single Market. 	<ul style="list-style-type: none"> - Reflect on steps taken in 2016, repeat the process with new recommendations in 2017. - Review performance of the Single Market and share best practices used to overcome national barriers in the Single Market.
Competitiveness Mainstreaming	<ul style="list-style-type: none"> - Support the Council in its reinforced role of monitoring and mainstreaming competitiveness in identified sectoral and horizontal policies by making concrete suggestions to the Council in all policy areas, especially in those sectors that could be particularly affected. - Elaborate a common set of indicators to be included in competitiveness scoreboards. 	<ul style="list-style-type: none"> - Prepare and follow-up on competitiveness check-up in Council. - Identify through impact assessments of key EU-policy proposals that impact the competitiveness and the level playing field of EU businesses and make a list of priority topics to be addressed during next Competitiveness Councils. - Give strategy advice for the mainstreaming debate in Council (29/02) on the Circular Economy. 	<ul style="list-style-type: none"> - Follow up on the latest competitiveness check-up. - Prepare the next competitiveness check-up for the Council. - Preparation of key messages from HLG. 	<ul style="list-style-type: none"> - Follow up on the latest competitiveness check-up. - Monitor progress made in 2016. - Prepare the next competitiveness check-up for the Council. - Preparation of key messages from HLG.

Strategy for Goods and Services	Review of actions and measures announced in the Strategy, with a focus on what is needed for stepping up reforms. Consider possible approaches to better implementation of enforcement.	<ul style="list-style-type: none"> - Give strategy advice for debate on the Strategy for Goods and Services in the Council of 29/02. - Discuss the services passport and supporting start-ups/scale-ups. - Discussion on next steps for professional qualifications in HLG and the possible development of the proportionality framework. - Discuss barriers that remain in place on the Single Market and share best practices. 	<ul style="list-style-type: none"> - Give strategy advice for debates about proposals within the SM strategy such as mutual recognition for the Council. - Monitor progress of the SM strategy. 	<ul style="list-style-type: none"> - Monitor progress of SM strategy. - Discussion on the next steps for the SM strategy.
Digital Single Market Package (DSM)	Provide input for Council debates and monitor the progress made on the Strategy for the DSM to boost competition and innovation in the digital economy.	<ul style="list-style-type: none"> - Discuss the issue of geo-blocking. - Give strategy advice for the debate in Council of 26/05. 	<ul style="list-style-type: none"> - Give strategy advice for debates in the Council and monitor progress on the DSM package. 	<ul style="list-style-type: none"> - Give strategy advice for debates in the Council and monitor progress on the DSM package.
Better Regulation	Ensure future-proof regulation in all policy fields to improve EU competitiveness, without duplicating the work done in other formations, and monitor REFIT-progress. In doing so, specific attention should be paid to making sure that proposals based on a Single Market legal basis effectively contribute to the better functioning of the Single Market.	<ul style="list-style-type: none"> - Give strategic advice for the policy debate in the Council on REFIT actions and the introduction of sectoral burden reduction targets in May 2016. - Monitor the systematic use of the Think Small First principle. 	<ul style="list-style-type: none"> - Follow up on outcomes of REFIT policy debate in Council (future-proof regulation). - Monitor the systematic use of the Think Small First principle. 	<ul style="list-style-type: none"> - Evaluate progress in 2016 and give strategy advice to prepare policy debate in the Council on REFIT actions in 2017. - Monitor the systematic use of the Think Small First principle.

Industry	<ul style="list-style-type: none"> - Address the challenges of the follow-up on concrete steps within the action agenda for smart industry. - Revitalising the competitiveness of the European Industry to compete globally on a level playing field particularly, but not only, through innovation and digitalisation; - Revitalising the EU as a competitive global hub for FDI; 	<ul style="list-style-type: none"> - Share best practices of (smart) industry policy. - Discussion on how to implement the different action lines within the agenda. 	<ul style="list-style-type: none"> - Share best practices of (smart) industry policy through a horizontal and sectorial approach. - Discussion on how to implement progress of different action lines within the action agenda. 	<p>Conclusions about progress in 2016 and discussion on needed follow-up in 2017.</p>
SMEs business climate (including for start-ups and scale-ups)	<p>Foster a level playing field for businesses and entrepreneurs (especially SMEs, taking into account their different sizes) through modern and competitive policies with regard to access to finance, entrepreneurship (e.g. implementation of PSCs), competition and with simple and good quality regulation.</p>	<ul style="list-style-type: none"> - Discussion on SMS follow up on European Investment Plan. - Analysis with stakeholders and experts on most important actions needed to improve the SME business climate (coordinate with SME envoys). - discuss national barriers for SMEs and start-ups and share best practices. 	<ul style="list-style-type: none"> - Action lines to improve the identified barriers in favour of entrepreneurship and SMEs. - follow up on European Investment Plan. - Discuss national barriers for SMEs and start-ups and share best practices. 	<ul style="list-style-type: none"> - Review progress and implementation on identified barriers for entrepreneurship and SMEs. - Follow up on European Investment Plan.