



Council of the
European Union

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ESPACE 72

DRAFT MINUTES
COUNCIL OF THE EUROPEAN UNION
(Competitiveness (Internal Market, Industry, Research and Space))
29 and 30 November 2018

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- b) Work programme of the incoming Presidency

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MEETING ON THURSDAY 29 NOVEMBER 2018

1. Adoption of the agenda 14520/18

The Council adopted the agenda set out in doc. 14520/18.

2. Approval of "A" items

Non-legislative list 14522/18

The Council adopted the "A" items listed in doc. 14522/18 including COR and REV documents presented for adoption. Statements related to these items are set out in the Addendum.

For the following items the documents should read as follows:

EU positions for international negotiations

6. Council Decision on the EU position on CORSIA
Adoption
approved by Coreper, Part 1, on 23.11.2018
- ☐ **C** 14320/1/18 REV 1
14330/1/18 REV 1
+ ADD 1
+ **ADD 1 COR 1**
AVIATION

INTERNAL MARKET AND INDUSTRY

Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

3. Regulation on Platform-to-Business Relations ☐☐ **C** 13876/18 + ADD 1
General approach 8413/18

The Council adopted a general approach on the proposal for a regulation. Statements related to this item are set out in the Annex.

4. Regulation on Single Market Programme ☐☐ **C** 14257/1/18 REV 1
Partial general approach 9890/18 + ADD 1

The Council adopted a partial general approach as set out in doc. 14257/1/18 REV 1.

5. **Regulation on General Safety of Vehicles**
General approach



14467/18 + COR 1
9006/18 + ADD1

The Council adopted a general approach on the proposed Regulation as set out in doc. 14467/18.

Non-legislative activities

6. **Conclusions on a future EU Industrial Policy Strategy**
Adoption



14221/18
14217/18

The Council adopted conclusions as set out in doc. 14832/18.

The Council addressed the non-legislative discussion items 7 and 8

7. Future of the Single Market
Presentation by the Presidency and the Commission
Exchange of views

14003/18

8. Competitiveness "check-up"
Presentation by the Commission
Exchange of views

Any other business

9. a) **Functioning of the EU on certain categories of horizontal State Aid**
Information from the Presidency



The Council took note of information provided by the Presidency concerning the adoption of the State Aid Enabling Regulation on 26 November last.

b) **Current legislative proposal**
(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

Regulation on Supplementary Protection Certificate for Medicinal Products
Information from the Presidency



14248/18 + COR 1
9485/18 + ADD 1

The Council took note of information from the Presidency concerning the state of play in this file.

The Council addressed the "Any other business" item 9 c)

- c) Report of the SME-Envoy Network 14611/18
Presentation by the Commission

- d) **REACH review in the light of industrial competitiveness** [2]
Information from the Presidency

The Council took note of the information provided by the Presidency.

The Council addressed the "Any other business" items 9 e)-f)

- e) Making EU Trade in Services Work for All – Enhancing Innovation and Competitiveness throughout the EU Economy
Information from the Czech, Danish, Irish and Finnish delegations
- f) Work programme of the incoming Presidency
Information from the Romanian delegation

MEETING ON FRIDAY 30 NOVEMBER 2018

SPACE

Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

10. **Regulation establishing the space programme of the Union** [1] [C] 13987/18 + ADD 1
+ ADD 1 COR 1
14181/18
9898/18 + ADD 1
Progress report
Exchange of views

The Council took note of the progress report as set out in doc. 13987/18 + ADD 1 + ADD 1 COR 1 and held an exchange of views based on questions as set out in doc. 14181/18.

RESEARCH

Non-legislative activities

The Council addressed the non-legislative discussion item 11

11. Conclusions on the Governance of the European Research Area 14516/18
Adoption

Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

12. **Horizon Europe Package – Framework Programme for Research and Innovation 2021-2027** **OC**

- a) **Framework Programme and its rules for participation and dissemination** 14501/1/18 REV 1
9865/18 + ADD 1
Partial general approach

The Council adopted a partial general approach as set out in doc. 15102/18. Statements by the HU delegation, by the IT delegation, by the MT delegation and by the SK, HR, CZ, HU and LT delegations are set out in doc. 15102/18 ADD 1 and annexed to these Council minutes.

- b) **Specific programme implementing Horizon Europe** 14264/18
9870/18 + ADD 1
Progress report

The Council took note of the Progress report as set out in doc. 14264/18.

Any other business

The Council addressed the "Any other business" item 13





13. Space

- a) Evolution of Europe's space activities: Long-term perspective (Space conference) (Graz, 5-6 November 2018)
Information from the Presidency

14618/18

Space and Research

- b) Work programme of the incoming Presidency
Information from the Romanian delegation

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-  First reading
-  Public deliberation (Article 8(1) of the Council's Rules of Procedure)
-  Public debate proposed by the Presidency (Article 8(2) of the Council's Rules of Procedure)
-  Item based on a Commission proposal
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STATEMENTS TO THE LEGISLATIVE "B" ITEMS SET OUT IN DOC. 14520/18

Ad "B" item 3: **Regulation on Platform-to-Business Relations**
General approach

STATEMENT BY GERMANY

"Germany assumes that Member States will continue to be entitled to adopt further regulations in conformity with EU law to ensure media diversity."

STATEMENT BY THE CZECH REPUBLIC, ESTONIA, FINLAND, IRELAND, LATVIA, POLAND AND THE UNITED KINGDOM

"The Czech Republic, Estonia, Finland, Ireland, Latvia, Poland and the United Kingdom welcome the Presidency's compromise proposal regarding the Council's general approach. We support the proposed Regulation's objective of creating openness in the contractual relations between online intermediation services and their business users, and of increasing predictability in the online business environment while still leaving room for self-regulation. However, we have reservations about the proposal including separate provisions on enforcement of the Regulation.

We are of the view that business-to-business (B2B) relationships differ significantly from business-to-consumer relationships. Freedom of contract is the most essential element in B2B relationships and should be respected, with intervention only where absolutely necessary. Strengthening the legal remedies, as set out in the Commission's original proposal, would be sufficient in this connection.

We are prepared to accept the new Article 12a on enforcement as part of a compromise solution. However, the Czech Republic, Estonia, Finland and the United Kingdom would prefer replacing the term '*penalties*' by '*measures*'. The common understanding and interpretation of the term '*penalties*' may imply penal sanctions, which courts do not adjudicate in civil matters. Such an interpretation would therefore require Member States to designate public bodies to enforce this Regulation. Using the term '*measures*' would be more neutral in meaning and therefore better reflect the legal interpretation of Article 12a and the corresponding recital 27b.

The signatories of this statement wish to make it absolutely clear that, in their understanding, the Regulation as proposed would not oblige Member States to provide for public enforcement by supervisory bodies or any other ex officio enforcement. 2(2)

The Czech Republic, Estonia, Finland, Ireland, Latvia, Poland and the United Kingdom consider it important that the coming negotiations with the European Parliament should not lead to further regulation and that the Commission's original objective of enhancing transparency by means of light-touch regulation should remain. For the Union to be able to exploit the opportunities of a fast-changing digital environment, the European regulatory framework has to support the development of competitive and innovative entrepreneurship."

Ad "B" item 12: Horizon Europe Package

STATEMENT BY HUNGARY on Widening issues

"Hungary agrees that support for research and innovation should play a crucial role in the next MFF period. However, we are convinced that the full exploitation of the research and innovation potential of Europe can only be realized if the issue of balanced representation is properly addressed by Horizon Europe.

It is important to highlight the fact that the share of the EU13 within the Horizon 2020 programme funding has been less than 5%. It has become evident that more serious efforts need to be undertaken to widen the participation and tackle the innovation divide within the next framework programme.

As signalled consistently during the negotiations, we would like to express our concerns about the way widening issues are addressed within the latest version of the proposal for the Horizon Europe Regulation. The continuation of the Horizon 2020 widening measures in the new programme is appreciated since they are important instruments in capacity building in the widening countries. However, they have a restricted focus and much more is needed to bring the desired results of opening up the closed networks and contribute to an increased participation of EU13 countries.

Therefore, we call for an increased budget of 7% of the total budget of Horizon Europe for widening measures. We also reiterate our conviction that a horizontal approach for widening is essential in the Horizon Europe programme to address the innovation divide within Europe. To achieve this goal, different instruments with targeted actions and indicators are needed in all Pillars of the Horizon Europe programme, as it was also outlined in the letter sent to Commissioner Moedas and Minister Fassmann signed by the ministers of twelve Member States.

In our view, the measures on widening participation are linked to the MFF negotiations. Therefore we reserve the right to come back to the issue of geographical balance after it has been discussed at the level of heads of state and government, as part of the MFF negotiating box.

A number of possible measures have already been presented during the negotiations and we call for continuing this constructive dialogue in the next months as well, with the aim of improving the Programme for the benefit of Europe as a whole."

STATEMENT BY ITALY

"In a spirit of compromise, Italy accepts the proposal of the Austrian Presidency on the structure of the Framework Programme and the resources dedicated to Space, while stressing that this political commitment of the Council will have to be implemented, within the Multiannual Financial Framework, through appropriate legal provisions."

**STATEMENT BY MALTA
on Human Embryonic Stem Cell Research**

"Malta welcomes the Horizon Europe Framework Programme as a key tool in realising the objectives of the Sustainable Development Goals and in contributing to the strengthening of the European Research Area by delivering upon the commitments made therein. In this context, Malta has ensured its commitment by fully engaging in the negotiations undertaken that were aimed at shaping an inclusive Horizon Europe Programme which rewards excellence and supports potential excellence in research and innovation. Nevertheless, Malta continues to advocate that it cannot agree with the eligibility for funding of activities under the Horizon Europe Framework Programme that involves research on, and the destruction of, human embryos in line with Chapter 524 of the Law of Malta relating to the protection of Embryos."

**STATEMENT BY SLOVAKIA, CROATIA, THE CZECH REPUBLIC, HUNGARY AND
LITHUANIA
on the Commission remuneration model**

"Slovakia, Croatia, the Czech Republic, Hungary, Lithuania welcome the Horizon Europe proposal that will bring science closer to European public addressing grand societal challenges. Appropriate set of tools should help to implement the programme in order to support competitiveness of the European Union as a whole.

We acknowledge that significant progress has been achieved during negotiations on the Horizon Europe legislative package.

Nevertheless, Slovakia, Croatia, the Czech Republic, Hungary, Lithuania are concerned that the issue of unequal payment for the same work in excellent projects was not resolved. We are convinced that disparities in remuneration negatively affect motivation of researchers in the low-performing countries to participate in Framework programme and lead to brain drain within and outside the Union.

We call on the current and future Presidencies, European Commission, Member States and European Parliament to address this issue as an important integral part of Horizon Europe legislation in order to decrease the innovation divide and build a strong and well-balanced European Research Area."
