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OUTCOME OF THE COUNCIL MEETING

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Competitiveness (Internal Market, Industry, Research and Space)

Brussels, 27 and 28 May 2021

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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.

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ITEMS DEBATED

INTERNAL MARKET AND INDUSTRY – 27 May 2021

Regulation on a single market for digital services (Digital Services Act) and amending Directive 2000/31/EC

On the basis of a progress report by the presidency, the Council was informed of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies.

[Presidency progress report](#)

[Commission proposal for a digital services act](#)

[The Digital Services Act package \(European Commission\)](#)

Regulation on contestable and fair markets in the digital sector (Digital Markets Act)

On the basis of a progress report by the presidency, the Council was informed of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies.

[Presidency progress report](#)

[Commission proposal for a digital markets act](#)

[The Digital Services Act package \(European Commission\)](#)

Leveraging the European Union's competitiveness and global influence through an ambitious digital services package

On the basis of a presidency note, ministers held a first policy debate on the aspects of the digital services package (Digital Services Act and Digital Markets Act) that they consider paramount to guarantee the strengthening of the digital single market and a safer online space where fundamental rights are protected and competition is free and fair.

Delegations expressed strong support for the package, which is expected to lead to the creation of an EU digital single market and to enable the EU to set its own regulatory benchmark at international level in terms of creating a safe digital environment and a level playing field for open and contestable digital markets.

As regards the Digital Services Act, there was strong support for a harmonised legal framework across the EU, with delegations stressing the need for clear and future-proof rules that are flexible enough to adapt to fast-changing market developments. According to delegations, what is illegal offline should be illegal online too. A number of delegations spoke in favour of preserving the key principles underlying the e-commerce directive, such as the country of origin principle. Several voices highlighted the need for the obligations to be imposed on market players to be proportionate. Small enterprises should be protected from overly burdensome requirements. Finally, there was wide acknowledgment of the need for an efficient enforcement mechanism regarding cross-border violations.

As regards the Digital Markets Act, several delegations called for the right balance to be found between flexibility in an ever-changing digital environment and legal certainty, through a future-proof regulatory framework. While supporting the need for an effective enforcement mechanism managed centrally by the Commission, a number of delegations called for the national authorities to be actively involved.

The incoming Slovenian presidency informed the Council of its objective to have the Competitiveness Council agree on a general approach on the digital services package at its November 2021 session.

[Presidency note to the Council](#)

[A digital future for Europe \(policy page\)](#)

Conclusions on tourism in Europe for the next decade: sustainable, resilient, digital, global and social

The Council adopted conclusions setting out its vision for the desired model for European tourism in the next decade. The Portuguese presidency and the Commission expressed optimism with regard to preparations for the reopening of the summer tourist season thanks to the progress made in vaccination and the implementation of the EU digital COVID certificate.

[Council conclusions on tourism in Europe for the next decade: sustainable, resilient, digital, global and social](#)

Conclusions on data technologies to improve Better Regulation

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](#)

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

[Commission communication of April 2021: ‘Better Regulation: Joining forces to make better EU laws and to prepare for the future’](#)

Updating the new industrial strategy for Europe – the critical importance of securing access to critical raw materials

On the basis of a presidency note, ministers held a policy debate on the updated new industrial strategy, focusing in particular on the importance of securing access to critical raw materials.

Delegations welcomed the Commission's update, while underlining that the priorities and objectives set out in the 2020 industrial strategy remain fully valid and should not be delayed. There was broad agreement on the need for the EU to reduce its strategic dependencies in the most sensitive industrial ecosystems, in particular as regards access to critical raw materials.

Several delegations stressed the importance of a resilient and fully functioning single market and welcomed the proposal for a Single Market Emergency Instrument. There was support for SMEs to be offered easier access to finance while adapting to the green and digital transitions of the EU economy.

There were calls for diversifying the supply of raw materials and for developing production capacities for key raw materials in Europe whenever possible. Some delegations referred to the potential benefits of the increased recycling of secondary raw materials to reduce the EU's dependencies in strategic value chains.

Some delegations pleaded in favour of strategic partnerships, industrial alliances and Important Projects of Common European Interest (IPCEIs), while underlining the importance of their transparency and inclusiveness in terms of participation by all member states and enterprises of all sizes.

[Presidency note to the Council](#)

[Commission communication updating the 2020 New Industrial Strategy](#)

ANY OTHER BUSINESS

Current legislative proposals

– *Regulation laying down harmonised rules on artificial intelligence*

The Commission presented to the Council its recent proposal aimed at establishing a legal framework for trustworthy artificial intelligence and a well-functioning internal market for artificial intelligence systems.

[Proposal for a regulation laying down harmonised rules on artificial intelligence](#)

– *Regulation on foreign subsidies distorting the internal market*

On the basis of a [note from the Commission](#), the Council was informed of the main objectives sought by the recently presented proposal for a regulation on foreign subsidies distorting the internal market. The regulation will complement the State Aid package and will lead to a fairer single market for both EU and non-EU companies.

[Proposal for a regulation on foreign subsidies distorting the internal market](#)

– *Essential building blocks for a competition law and State aid framework enabling European competitiveness*

On the basis of a [note](#), the Austrian delegation informed the Council of its views on what is necessary in order to update the EU legal framework for competition and State aid.

- *Communication from the Commission on Trade Policy Review – An Open, Sustainable and Assertive Trade Policy*

The Commission presented to the Council its recent communication on the trade policy review.

[Commission communication on the Trade Policy Review – An Open, Sustainable and Assertive Trade Policy](#)

- *EU industry competitiveness and effective harmonised standardisation*

On the basis of a [joint note](#), 17 delegations informed the Council of what they see as the challenges currently faced by the European standardisation system.

- *Work programme of the incoming presidency*

The Council was informed by the Slovenian delegation of the work programme of the incoming Slovenian presidency in the field of internal market and industry.

RESEARCH AND INNOVATION, 28 May 2021

Regulation on establishing the European High Performance Computing Joint Undertaking (HPC)

The Council agreed on a general approach concerning the abovementioned regulation.

[General approach on regulation on establishing the European High Performance Computing Joint Undertaking](#)

Conclusions on ‘Deepening the European Research Area: providing researchers with attractive and sustainable careers and working conditions and making brain circulation a reality’

The Council adopted conclusions on possible ways to enhance the attractiveness of research careers in Europe with a view to attracting and retaining excellent researchers in the continent.

[Council conclusions on ‘Deepening the European Research Area: providing researchers with attractive and sustainable careers and working conditions and making brain circulation a reality’](#)

Renewing the European Research Area – how to prepare the roll-out of an ambitious ERA fit for the next decade

On the basis of a presidency note, ministers held an exchange of views on how to prepare the roll-out of an ambitious European Research Area for the next decade.

It was widely acknowledged that while important achievements have been reached within the ERA in its 20 years of existence, with increasing interlinkages between the research communities within Europe, much remains to be done for the establishment of a genuine single market for researchers and the free movement of knowledge. Hence the need for a common, forward-looking vision for the future ERA, which should also take into account the lessons learned during the pandemic.

Some of the elements considered by delegations as important for the roll-out of an ambitious future ERA policy include the following:

- a more assertive political commitment and co-ownership of ERA by member states;

- a more efficient and inclusive cooperation and smart use of resources;
- the principles and values contained in the ‘Bonn Declaration on Freedom of Scientific Research’;
- increased public investment as leverage for attracting additional private investment in research and innovation;
- further development of research infrastructure;
- closer and more open international cooperation;
- application of open science principles and open data policies;
- establishment of stronger links between ERA and the European Education Area;
- quick translation of research results into marketable products;
- reduction of administrative burdens;
- more efficient ERA governance;
- equal opportunities for men and women;
- a favourable framework for researchers’ careers.

The Commission encouraged member states to increase investment in research and innovation in order to boost efforts to achieve the green and digital transitions, as well as the resilience and competitiveness of the EU economy. To contribute to the creation of a single market for researchers, all stakeholders should be closely involved. Member states were encouraged to sign up to the future pact for research and innovation to promote the principles and values of European research and innovation policy and to agree on a new governance structure for the ERA.

[Presidency note to the Council](#)

[New European Research Area: Council adopts conclusions \(press release\)](#)

[Commission communication ‘A new ERA for Research and Innovation’](#)

ANY OTHER BUSINESS

- ***Current legislative proposal: Decision on the participation of the Union in the European Partnership on Metrology jointly undertaken by several Member States***

The Council was informed by the presidency of progress achieved so far in the examination of the proposed decision within the Council's preparatory bodies. The Portuguese presidency's goal is to have a clear negotiating mandate agreed upon by the end of June so that the incoming Slovenian presidency can start negotiations with the European Parliament as soon as possible.

[Proposal for a decision on the participation of the Union in the European Partnership on Metrology](#)

- ***Council Regulation establishing the Joint Undertakings under Horizon Europe***

The Council was informed by the presidency of progress achieved so far in the examination of the proposed regulation within the Council's preparatory bodies.

[Proposal for a regulation establishing the Joint Undertakings under Horizon Europe](#)

- ***Mission Innovation: Membership***

On the basis of a note from the Commission, the Council was informed of the Commission's intention to continue its engagement in Mission Innovation's activities and governance during the second phase of the initiative, to be launched on 31 May.

[Commission note to the Council](#)

- ***Commission communication on the global approach to research and innovation***

On the basis of a note from the Commission, the Council was informed of the global approach to research and innovation set out in the recently adopted Commission communication. The communication presents the Commission's perspective on Europe's strategy on international cooperation in research and innovation.

[Commission note to the Council](#)

- ***Work programme of the incoming presidency***

The Council was informed by the Slovenian delegation of the work programme of the incoming Slovenian presidency in the field of research.

SPACE, 28 May 2021

Conclusions on ‘New Space for People’

The Council adopted conclusions on the need for a European approach to New Space as a driver for an innovative, resilient and competitive EU space sector.

[Council conclusions on ‘New Space for People’](#)

Conclusions on ‘Space for People in European coastal areas’

The Council adopted conclusions on the need to unleash the full potential of Copernicus, Galileo and EGNOS in order to improve climate change mitigation and the quality of life of people in European coastal areas.

[Council conclusions on ‘Space for People in European coastal areas’](#)

Towards a better positioning of the EU in Space Traffic Management

On the basis of a presidency note, ministers discussed the main building blocks of a future EU position on space traffic management.

There was broad agreement on the need to develop a European approach on space traffic management to preserve European space infrastructure and strategic autonomy, to foster new entrepreneurial interests and to enable Europe to take the lead in international fora. The proposed roadmap was endorsed as the correct way forward.

While acknowledging the importance of a united European approach, some delegations expressed the view that a multi-stakeholder approach, respectful of the current division of competences in Europe, would be the best way forward.

A number of delegations called for a step-by-step approach towards building technical capacity and an adequate European regulatory framework.

[Presidency note to the Council](#)

[Draft roadmap for Space Traffic Management](#)

ANY OTHER BUSINESS

– *Work programme of the incoming presidency*

The Council was informed by the Slovenian delegation of the work programme of the incoming Slovenian presidency in the field of space.

OTHER ITEMS APPROVED

RESEARCH

Council Decision on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel

The Council adopted a general approach on the proposed decision.

The decision aims to ensure the availability of a budget for organising an annual call for proposals for the Research Fund for Coal and Steel (RFCS) research programme.

The RFCS is an EU research programme, funded outside the Multiannual Financial Framework by the revenue of the assets of the European Coal and Steel Community (ECSC) in liquidation allocated to this fund according to Protocol 37. In accordance with this Protocol, the RFCS exclusively finances research projects in the coal and steel sectors ([8871/21](#)).

Council approval of the joint member statement on the launch of mission innovation 2.0

The Council authorised the Commission to endorse the ‘Joint Member Statement on the launch of the second phase of Mission Innovation’ expected to be approved on 31 May 2021 at a Mission Innovation Ministerial event held between 31 May and 6 June 2021.

Mission Innovation is a global initiative of 24 countries and the European Union, with the aim of accelerating effort in innovation in clean energy globally. It was launched at COP21 in Paris and the European Commission, acting on behalf of the European Union, joined the initiative in 2016 ([8740/21 ADD 1](#)).

Council Decision on the adoption of the research programme of the Research Fund for Coal and Steel and on the multiannual technical guidelines for this programme

The Council adopted a political agreement on the proposed decision.

The decision aims to align the Research Fund for Coal and Steel (RFCS) research programme objectives with international obligations, such as the Paris Agreement, as well as with scientific, technological and political objectives of the Union on climate neutrality by 2050.

The RFCS is an EU research programme, funded outside the Multiannual Financial Framework by the revenue of the assets of the European Coal and Steel Community (ECSC) in liquidation allocated to this fund according to Protocol 37. In accordance with this Protocol, the RFCS exclusively finances research projects in the coal and steel sectors ([8866/21](#)).

ECONOMIC AND FINANCIAL AFFAIRS

Regulation establishing the customs control equipment instrument

The Council adopted its position at first reading and its statement of reasons regarding the regulation of the European Parliament and of the Council establishing, as part of the Integrated Border Management Fund, the instrument for financial support for customs control equipment.

The instrument's objective is to support the customs union and customs authorities to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect the Union from unfair and illegal trade, while facilitating legitimate business activity. It aims to contribute to ensuring adequate and equivalent results of customs controls through the purchase, maintenance and upgrade of customs control equipment ([8861/21](#) + ADD 1, [7234/21](#) + ADD 1).

FOREIGN AFFAIRS

EU's position for the 18th EU-Kyrgyz Republic Cooperation Council

The Council approved the position of the European Union with a view to the 18th meeting of the EU-Kyrgyz Republic Cooperation Council, due to take place via video conference on 4 June 2021. Topics of discussion will include key aspects of EU-Kyrgyz Republic relations, rule of law and human rights issues, economic and trade relations and regional issues.

[EU-Kyrgyz Republic Cooperation Council \(event page\)](#)

EU-Japan Green Alliance

The Council approved the text of the EU-Japan Green Alliance, adopted on the occasion of the 27th EU-Japan Summit in virtual format. With this text, both sides reaffirm their commitment to protecting the environment, stopping climate change and achieving green growth.

TRANSPORT

International Civil Aviation Organisation (ICAO) – coordination

The Council approved the text of the information note set out in ST 8688/21 ADD 1 and endorsed the recommended EU position contained in it, so that the information note can be used as the basis for the interventions of the representatives of the EU member states which are members of the ICAO Council at the 223rd session of the ICAO Council (Montreal, 7-25 June 2021). The areas covered are strategic objectives, safety, aviation security and facilitation, and environmental protection.

ENERGY**European Instrument for International Nuclear Safety Cooperation**

The Council adopted a regulation establishing a European Instrument for International Nuclear Safety Cooperation complementing the Neighbourhood, Development and International Cooperation Instrument – Global Europe on the basis of the Treaty establishing the European Atomic Energy Community, and repealing regulation (Euratom) No 237/2014.

The regulation lays down the objectives of the instrument, its budget and the forms of and methods of implementation of Union funding. The financial envelope for the implementation of the instrument for the period from 1 January 2021 to 31 December 2027 is €300 million in current prices.

The instrument aims to promote a high level of nuclear safety, radiation protection, and the application of efficient and effective safeguards of nuclear materials in third countries. It builds on the activities within the European Atomic Energy Community. In this context, the instrument also aims to support the promotion of transparency in nuclear-related decision-making processes of the authorities in third countries ([12568/20](#)).

TRANSPARENCY**Public access to documents**

On 27 May 2021, the Council approved the reply to confirmatory application No 02/c/01/21 ([8788/21](#) + ADD 1 + ADD 1 COR 1).
