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European Union

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## DRAFT MINUTES

COUNCIL OF THE EUROPEAN UNION  
(Competitiveness (Internal Market, Industry, Research and Space))

28 and 29 September 2021

## CONTENTS

Page

1. Adoption of the agenda..... 3
2. Approval of "A" items ..... 3
  - a) Non-legislative list
  - b) Legislative list

### RESEARCH

#### Non-legislative activities

3. Conclusions on the global approach to research and innovation..... 4
4. Governance and implementation of the European Research Area ..... 4

#### Any other business

5. a) Association of 3rd countries to Horizon Europe..... 4
- b) Institutionalised European Partnerships ..... 4
- c) Virtual Conference "Deepening the ERA Through Gender Equality" (8-9 July 2021) and Ljubljana Declaration on Gender Equality in Research and Innovation..... 4

### INTERNAL MARKET AND INDUSTRY

#### Legislative deliberations

6. Implementation of the updated New Industrial Strategy for Europe: Accelerating green transition: The Package Fit for 55 from an industrial perspective ..... 5

#### Non-legislative activities

7. Future-proof policymaking to improve the competitiveness of the EU and further foster the Single Market: Joining forces to make better laws..... 5

#### Any other business

8. a) Annual Report of the Single Market Enforcement Task Force (SMET) ..... 5
- b) Joint Ministerial Declaration on Innovation Procurement in the EU..... 5
- c) Unitary Patent and Unified Patent Court ..... 5

- ANNEX - Statements for the Council minutes ..... 6

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## MEETING ON TUESDAY 28 SEPTEMBER 2021

### 1. Adoption of the agenda

The Council adopted the agenda set out in 11931/21.

### 2. Approval of "A" items

#### a) Non-legislative list

11988/21

The Council adopted the "A" items listed in 11988/21 including COR and REV documents presented for adoption. Statements to these items are set out in the Addendum.

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

11989/21

### Internal Market and Industry

#### 1. Directive amending Directive 2013/34/EU as regards disclosure of income tax information (CBCR)



11832/21 + COR 1  
+ ADD 1 REV 2  
9722/21 + ADD 1  
DRS

*Adoption of the Council's position at first reading and of the statement of the Council's reasons*  
approved by Coreper, Part 1, on 22.09.2021

The Council approved its position at first reading, in accordance with Article 294(5) of the Treaty on the Functioning of the European Union, and the statement of the Council's reasons, with Cyprus and Sweden voting against and Czech Republic, Ireland, Luxembourg and Malta abstaining. (Legal basis: Articles 50(1)). Statements to this item are set out in the Annex.

### Agriculture

#### 2. Regulation amending Regulation (EU) 2017/625 as regards official controls



11852/21 + ADD 1  
PE-CONS 46/21  
VETER

*Adoption of the legislative act*  
approved by Coreper, Part 1, on 22.09.2021

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Articles 43(2), 114 and 168(4)(b) TFEU). A statement to this item is set out in the Annex.

## General Affairs

3. **Regulation on Brexit Adjustment Reserve (BAR)** 11828/21 + ADD 1  
PE-CONS 59/21  
COH  
*Adoption of the legislative act*  
approved by Coreper, Part 2, on 22.09.2021

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Articles 322(1) and 175(3) TFEU). A statement to this item is set out in the Annex.

## RESEARCH

### Non-legislative activities

3. Conclusions on the global approach to research and innovation 12073/21  
+ ADD 1-2  
*Approval*
4. **Governance and implementation of the European Research Area** 11821/21  
*Exchange of views*

The Council held an exchange of views based on questions as set out in 11821/21.

### Any other business

5. a) Association of 3rd countries to Horizon Europe 12103/21  
*Information from the Commission on the state of play*
- b) **Institutionalised European Partnerships** 6446/21 + ADD 1  
6439/21  
*Information from the Presidency on the state of play*

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

- c) Virtual Conference "Deepening the ERA Through Gender Equality" (8-9 July 2021) and Ljubljana Declaration on Gender Equality in Research and Innovation 12044/21  
*Information from the Presidency*

## MEETING ON WEDNESDAY 29 SEPTEMBER 2021

### INTERNAL MARKET AND INDUSTRY


#### Legislative deliberations

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

6. **Implementation of the updated New Industrial Strategy for Europe: Accelerating green transition: The Package Fit for 55 from an industrial perspective**  11726/21  
*Policy debate*

The Council held a policy debate based on questions as set out in 11726/21.




#### Non-legislative activities

7. **Future-proof policymaking to improve the competitiveness of the EU and further foster the Single Market: Joining forces to make better laws**  11654/21 + COR 1  
*Policy debate*

The Council held a policy debate based on a question as set out in 11654/21 + COR1.

#### Any other business

8. a) Annual Report of the Single Market Enforcement Task Force (SMET) 11965/21  
*Information from the Commission*
- b) Joint Ministerial Declaration on Innovation Procurement in the EU 11908/21 + COR 1  
+ COR 2  
*Information from the Greek delegation, supported by the Italian and Cyprus delegations*
- c) Unitary Patent and Unified Patent Court 12098/21  
*Information from the Presidency on the state of play*

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-  First reading
-  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 "A" items set out in doc. 11989/21

**Directive amending Directive 2013/34/EU as regards disclosure of income tax information (CBCR)**

**Ad "A" item 1:**

*Adoption of the Council's position at first reading and of the statement of the Council's reasons*

**STATEMENT BY CROATIA**

“Croatia fully supports tax transparency. Nevertheless, Croatia is of the opinion that Article 115 of TFEU would be a more appropriate legal basis than Article 50(1) TFEU. Croatia considers that the Directive amending Directive 2013/34/EU as regards disclosure of income tax information should be based on Article 115 of TFEU since both the aim and the content of the proposal relate to “fiscal provisions”, and is of the view that accordingly, the proposal should have been discussed at ECOFIN Council, taking due account of the relevant procedural rules.

Furthermore, Croatia is of the opinion that the agreed amending Directive should not become precedent for qualified majority voting in the future decision-making processes with regard to tax matters.”

**STATEMENT BY CYPRUS, CZECH REPUBLIC, HUNGARY, IRELAND, LUXEMBOURG, MALTA AND SWEDEN**

“Notwithstanding the general support expressed by all for tax transparency and the constructive discussions facilitated by the Presidency, Cyprus, Czech Republic, Hungary, Ireland, Luxembourg, Malta and Sweden have ongoing concerns regarding the legal basis of this Proposed Directive, and consider that the proposal for a Directive amending Directive 2013/34/EU as regards disclosure of income tax information must be based on Article 115 TFEU since both the aim and the content of the proposal relate to “fiscal provisions”, rejecting thereby the appropriateness of the legal basis of the initial proposal, i.e. Article 50(1) TFEU.”

**Ad "A" item 2:**

**Regulation amending Regulation (EU) 2017/625 as regards official controls**

*Adoption of the legislative act*

**STATEMENT BY BELGIUM**

“Belgium supports the proposal in its current form, but we would like to raise a concern. Until now, Regulation (EC) No 853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin has allowed the direct sale of fresh poultry and rabbit meat on farms without any controls. The proposed amendment will extend direct sales on farms without controls to, for example, minced poultry and rabbit meat. In light of the sensitivity of these products, we consider it dangerous to produce them on farms without any controls.”

**Ad "A" item 3:**

**Regulation on Brexit Adjustment Reserve (BAR)**

*Adoption of the legislative act*

**STATEMENT BY THE COMMISSION**

**Further measures to protect the EU budget and Next Generation EU resources (NGEU) against fraud and irregularities by requiring an obligatory use of a single data-mining tool provided by the Commission**

“In the Inter-institutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap for the introduction of new own resources, points 30 to 33 require the Commission to make available an integrated and interoperable information and monitoring system including a single data-mining and risk-scoring tool to access and analyse the required data with a view to a generalised application by Member States. In addition, the three institutions agreed to sincerely cooperate, in the course of the legislative procedure relating to the relevant basic acts, to ensure the follow up to the European Council conclusions of July 2020 regarding this element.

The Commission considers that the agreement reached by the co-legislators under Article 13(1)(f) (responsibilities of Member States) on the use of a single data-mining tool and the collection and analysis of data on the beneficial owners of the recipients of funding is not sufficient to enhance the protection of the Union budget against fraud and irregularities and to ensure efficient checks on conflicts of interests, irregularities, issues of double funding, and criminal misuse of the funds. Therefore, the approach agreed by the co-legislators in the Brexit Adjustment Reserve Regulation does not appropriately reflect the desired ambition and spirit of the Inter-institutional Agreement.”