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OUTCOME OF THE COUNCIL MEETING

3733rd Council meeting

Competitiveness (Internal Market, Industry, Research and Space)

Brussels, 28 and 29 November 2019

Presidents **Timo Harakka**
Minister of Employment of Finland
Katri Kulmuni
Minister of Economic Affairs

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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

Directive on representative actions

The Council reached a political agreement on the proposed directive. This agreement will enable the Council to begin negotiations with the European Parliament for a swift adoption of the directive at second reading.

[Full text of the Council's general approach](#)

[EU closer to enabling consumers to defend their rights collectively \(press release, 28 November 2019\)](#)

[Joint declaration by Cyprus, Czechia, Latvia, Luxembourg and the Slovak Republic](#)

Directive amending directive [2013/34/EU](#) as regards disclosure of income tax information

The Council examined the latest presidency compromise proposal on the directive.

There was broad support for enhanced transparency in the business activities of multinational companies in the various member states.

At the end of the exchange of views, the Council was not able to gather sufficient support for the presidency's proposal, in particular as regards the proposed legal basis. The presidency announced that it would continue work on this file, reflecting on the best way for taking it forward.

[Presidency compromise proposal](#)

[Joint statement for the minutes by Cyprus, the Czech Republic, Estonia, Hungary, Ireland, Latvia, Luxembourg, Malta, Slovenia and Sweden](#)

External dimension of European competitiveness

On the basis of a [presidency note](#) aimed at steering the discussions, the Council had an exchange of views on how to ensure that EU businesses remain competitive on the global market.

Several delegations stressed the need for a competitive and more integrated Single Market, including a long-term industrial policy strategy, as well as a common EU data management policy to address the challenges of digitalisation.

The transition towards a climate neutral economy represents both an opportunity and a challenge for the EU economy. It should therefore be done in a way that minimises the negative effects on the EU industry and avoids giving an unfair advantage to non-EU businesses. Existing competition law and state aid rules need to be reviewed to establish whether they remain fit-for-purpose in this context.

Delegations concurred that the EU should create a real level playing field by putting an end to market distorting practices by third countries, which provide their companies with unfair advantages, while limiting at the same time EU companies' access to their markets.

Finally, it was widely acknowledged that the EU should spare no effort to preserve the existing rules-based trading system established under the WTO. Should that fail to produce results, however, the EU should not hesitate to pursue its economic interests through alternative multilateral and bilateral trade arrangements.

Any other business

– *Implementation of the new consumer protection cooperation (CPC) regulation*

On the basis of a [note from the Commission](#), the Council was informed of the latest state in the practical implementation of the new CPC regulation across the EU, which will become applicable on 17 January 2020.

– *Better regulation in supporting sustainable growth : work done under the Finnish presidency*

On the basis of a [presidency note](#), the Council took stock of a report on the work accomplished under the Finnish presidency on the role of better regulation in supporting sustainable growth.

– ***Enhancing the digitalisation of the EU tourism sector : work done under the Finnish presidency***

On the basis of a [presidency note](#), the Council took stock of a report on work accomplished under the Finnish presidency in enhancing the digitalisation of the tourism sector.

– ***Outcome of the "Friends of industry ministerial meeting 2019" (Vienna, 4 October 2019)***

On the basis of a [note from the Austrian delegation](#), the Council was informed of the outcome of the above mentioned meeting, which focused on issues such as industrial transformation towards a digital economy, climate neutrality and global competition.

– ***Competition in the European Defence Fund***

On the basis of a [note from the Danish delegation](#), the Council took note of that delegation's position on the role of the Competitiveness Council in ensuring strong competition among projects aspiring to receive funding from the European Defence Fund.

– ***Report of the SME Envoy Network***

On the basis of a [note from the General Secretariat of the Council](#), the Council took note of the annual report of the SME Envoy Network.

– ***Strategic value chains : Report of the Strategic Forum on Important Projects of Common European Interest***

On the basis of a [note from the Commission](#), the Council took note of the Strategic Forum's report, which recommends six additional strategic EU value chains. These are : connected, clean and autonomous vehicles, smart health, low-CO2 emission industry, hydrogen technologies and systems, Industrial Internet of Things, cybersecurity.

– ***Work programme of the incoming presidency***

The Council was informed by the Croatian delegation of the work programme of the incoming Croatian presidency in the field of internal market and industry. It was noted that priority will be given to achieving progress in the following areas : action plan for the Single Market, digital platforms and services, SME competitiveness, industrial policy strategy, consumer protection and tourism.

SPACE

Conclusions on "Space solutions for a sustainable Arctic"

The Council adopted conclusions on how to ensure a sustainable Arctic. In its conclusions, the Council stresses that space can act as a true enabler in the Arctic region, especially in combatting climate change and ensuring economically, socially and environmentally sustainable growth in the area.

[Full text of the Council conclusions](#)

Fostering a sustainable space economy

On the basis of a [presidency note](#) aimed at steering the debate, ministers exchanged views on the actions that are necessary for enhancing the positive leverage of the EU space policy on non-space sectors, such as digital transformation and climate action, as well as for fostering a sustainable space policy in the EU and across the globe.

There was broad consensus on the need to maximise the benefits that space-related activities can bring to other fields of the economy, such as mobility, agriculture, action against climate change and digital transformation.

Several delegations stressed the potential of the exploitation of space data for the development of artificial intelligence and cloud computing.

It was broadly acknowledged that the sustainability of outer space activity required sound management of space debris, cyber threats, space weather events and space traffic. Several ministers called for coordinated action in international fora to ensure EU leadership in these fields. In addition, there was strong support for developing European space surveillance and traffic management technologies, as well as innovative materials and services for the sustainable use of satellites and satellite launchers.

Any other business– *Work programme of the incoming presidency*

The Council was informed by the Croatian delegation of the work programme of the incoming Croatian presidency in the field of space. The main focus would be on negotiating with the European Parliament the next EU space programme after agreement is reached on the multiannual financial framework.

RESEARCH**Euratom programme complementing Horizon Europe**

The Council examined the latest presidency compromise proposal on the regulation. It was noted that a small number of delegations could not support the proposal. The presidency announced that it would continue work on this file, reflecting on the best way to take this forward. In the meantime, the presidency indicated its intention to submit a progress report on this file.

Horizon Europe package : Regulation on framework programme for research and innovation 2021-2027**a) Recitals****b) Annex IV (synergies)**

The Council reached a partial general approach on those recitals that have not yet been agreed, as well as on annex IV of the Horizon Europe regulation, which deals with synergies between Horizon Europe and other EU programmes. This agreement will enable the Council to begin negotiations with the European Parliament with a view to the swift adoption of the regulation once an agreement is reached on the next multiannual financial framework.

On 27 March 2019, the Council reached a common understanding with the European Parliament on a substantial part of the regulation on Horizon Europe. The present partial general approach ensures the alignment of the remaining recitals with that common understanding and finalises the Council's position on annex IV of the draft regulation.

[Full text of the Council's partial general approach](#)

[EU agreement on future research and innovation programme: press release of 27 March 2019](#)

Conclusions on the updated EU bioeconomy strategy

The Council adopted conclusions on the updated bioeconomy strategy for Europe. In its conclusions, the Council expresses its support for the updated bioeconomy strategy set out in the Commission communication. It calls on member states to implement this strategy without delay and on the Commission to facilitate and drive forward its implementation through its work programme.

[Full text of the Council conclusions](#)

Regulation on the European Institute of Innovation and Technology (EIT)

The Council agreed on a partial general approach concerning the proposed regulation on the European Institute of Innovation and Technology (EIT). This agreement will enable the Council to begin negotiations with the European Parliament with a view to the swift adoption of the regulation at first reading once an agreement is reached on the multiannual financial framework.

[Full text of Council's partial general approach](#)

[European Institute of Innovation and Technology \(EIT\): Council agrees on amendments to EIT regulation : press release](#)

[Statement by Austria and joint statement by Bulgaria, Hungary, Lithuania and Poland](#)

[Statement by Hungary](#)

Decision on the Strategic Innovation Agenda of the European Institute of Innovation and Technology

On the basis of a [presidency note](#), the Council took stock of progress achieved so far on the proposed decision.

Any other business

– *Work programme of the incoming presidency*

The Council was informed by the Croatian delegation of the work programme of the incoming Croatian presidency in the field research and innovation. It was noted that the main focus would be on negotiating with the European Parliament the Horizon Europe package after an agreement is reached on the multiannual financial framework. In addition, the Council would be invited to debate further the framework conditions for researchers and future jobs in the field of research.

OTHER ITEMS APPROVED**INTERNAL MARKET AND INDUSTRY****Adoption of Council Conclusions on the report "Have your say!: Commission's public consultations engage citizens, but fall short of outreach activities"**

The Council adopted a set of conclusions in response to the European Court of Auditors' Special Report No 14/2019 "Have your say!: Commission's public consultations engage citizens, but fall short of outreach activities".

In these conclusions, the Council reaffirms the importance of objective public consultations in improving transparency and accountability of EU measures, as well as in ensuring coherency in the EU legal framework. It encourages the Commission to advance the outreach of its public consultations in order to achieve broader participation, through a constant improvement of the design and quality of questionnaires, the availability of translations in all official languages, as well as of improved data processing and timely feedback. ([13607/19](#))

Conclusions on the circular economy in the construction sector

The Council adopted conclusions concerning the circular economy in the construction sector.

In its conclusions, the Council acknowledges the potential of circular economy in construction activities from an environmental and economic viewpoint and urges the Commission to undertake action to promote circularity further. ([13814/19](#))

TRANSPORT**International Maritime Organisation's 31st Assembly**

The Council adopted a decision on the position to be taken on behalf of the EU during the 31st session of the Assembly of the International Maritime Organisation (IMO) ([14211/19](#) + [ADD 1](#) + [ADD 2](#); [14212/19](#)). The position relates to amendments to the resolution on use and fitting of retro-reflective materials on life-saving appliances and the adoption of a resolution on Survey Guidelines under the Harmonized System of Survey and Certification (HSSC).

International Civil Aviation Organisation – passenger name record data

The Council adopted a decision on the position to be taken on behalf of the EU on in the Council of the International Civil Aviation Organisation (ICAO), in respect of the revision of Chapter 9 of Annex 9 to the Convention on International Civil Aviation with regard to standards and recommended practices on passenger name record (PNR) data ([14008/19](#); [14014/19](#)).

ENVIRONMENT

Animal and plant species for which trade is regulated or monitored

The Council decided not to oppose the adoption of a Commission regulation concerning changes to the annex of the regulation on the protection of species of wild fauna and flora by regulating trade therein ([14398/19](#), [13358/19](#) + [13358/19 ADD 1](#)).

These rules regulate trade in animal and plant species listed in the annex to the regulation. The list of species which are endangered or which deserve protection was updated.

The Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation, unless the European Parliament objects. The regulation will enter into force on the third day following that of its publication in the Official Journal of the European Union.

FOREIGN AFFAIRS

Technical Centre for Agriculture and Rural Cooperation's budget 2018

The ACP - EU committee of ambassadors gave a discharge to the director of the Technical Centre for Agricultural and Rural Cooperation (CTA) for the implementation of its budget for the financial year 2018, on the basis of the auditor's report and the financial statements of the corresponding financial year.

The CTA is a joint international institution of the African, Caribbean and Pacific (ACP) group of states and the EU, established in 1983 under the Lomé Convention and operated within the framework of the ACP-EU Cotonou Agreement since 2000. The CTA's mission is to advance food security, resilience and inclusive economic growth in ACP countries through innovations in sustainable agriculture. It is funded by the European Development Fund.

[Technical Centre for Agricultural and Rural Cooperation \(CTA\)](#)

[EU relations with the African, Caribbean and Pacific \(ACP\) group of states](#)

TRANSPARENCY

Public access to documents

On 28 November 2019, the Council approved the reply to confirmatory applications

- No 22/c/05/19 (doc. [11369/19](#)),
 - No 26/c/02/19 (doc. [14625/19](#)), and
 - No 35/c/01/19 (doc. [13537/19](#)).
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