



An Roinn Gnó,
Fiontar agus Nuálaíochta
Department of Business,
Enterprise and Innovation

Report of the Department of Business, Enterprise and Innovation to the Oireachtas

Under Section 2 (5) of the European Union (Scrutiny) Act 2002
for the period from January to June 2019

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Introduction

Under the terms of the European Union (Scrutiny Act) 2002, Ministers submit Reports to the Oireachtas every six months on developments at European Union level in their area of responsibility. This Report summarises the key legislative and policy developments within the remit of the Department of Business, Enterprise and Innovation during the six-month period January to June 2019 during which time Romania held the Presidency of the Council of the European Union.

This report has two parts. The first part sets out the principal developments in the policy areas which fall within the responsibility of this Department at EU level and provides an overview of the incoming Finnish Presidency. The second part provides an update on the EU legislative proposals for which information notes were submitted to the Oireachtas Joint Committee on Business, Enterprise and Innovation under the European Union (Scrutiny) Act 2002.

Part I – Developments in the EU

The policy areas which fall within the responsibility of the Department of Business, Enterprise and Innovation at EU level are in the main dealt with by the Competitiveness Council under the headings of Internal Market, Industry, Research and Space, and the Foreign Affairs Council under the heading Trade.

1. Competitiveness Council (Internal Market, Industry, Research and Space)

The Competitiveness Council is normally held over two days, with Day 1 dedicated to Internal Market and Industry items and Day 2 dedicated to Research and Space items.

1.1. Meetings of the Competitiveness Council (Internal Market and Industry)

The Competitiveness Council (Internal Market and Industry) met on three occasions during the period January to June 2019.

- Formal Competitiveness Council - Brussels, 18 February 2019
- Informal Competitiveness Council - Bucharest, 2/3 May 2019
- Formal Competitiveness Council - Brussels, 27 May 2019

1.1.1. Formal Competitiveness Council (Internal Market and Industry) – Brussels, 18 February 2019

Ireland was represented at the February Council by Ambassador and Deputy Permanent Representative, Joe Hackett. Council was chaired by Romanian Minister of Economy, Nicolae Bădălău. The Commission was represented by the Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bieńkowska.

The items discussed at the February Formal Competitiveness Council meeting were:

Competitiveness ‘Check-Up’: Cross border value added in the EU Single Market

Council took note of a presentation by Commissioner Bieńkowska concerning the impact of regional and European value chains on EU and sectoral productivity. Following the presentation Member States highlighted the increasingly important role played by market services in EU value chains and confirmed their wish to achieve a higher degree of integration of the services market within the EU. There was broad agreement on the need to adopt a holistic and forward-looking approach which brings together the Single Market, industrial and digitisation policies.

Member States noted that it was planned to hold a policy debate on the future of the Single Market during the March 2019 European Council. In light of that scheduled debate, Presidency stated that it would summarise the views that had been expressed by Member States at Council in a letter to the President of the European Council.

Artificial Intelligence

On the basis of a Presidency paper, Council held an exchange of views on the main challenges faced by Member States in designing and implementing national strategies on artificial intelligence. Ministers discussed how to maximise the benefits of artificial intelligence for industry and in particular for SMEs.

Council underlined the need to foster the development of artificial intelligence by:

- Increasing investment in artificial intelligence
- Strengthening research and innovation collaboration between industry and academia
- Reinforcing excellence in artificial intelligence technologies and applications
- Recognising the need for public investment

Priorities mentioned included the requirement for open access to large volume data on artificial intelligence within the EU. Member States stressed the need for an upscaling of digital skills in the EU workforce and the need to embrace artificial intelligence in public administrations. New regulatory frameworks are also needed to mitigate risks in the sector and to ensure reliability, security and confidence in digital transformation.

Clean Planet for all: Strategic long-term vision for a climate neutral economy

On the basis of the Commission’s November 2018 communication ‘Clean Planet for All: strategic long-term vision for a climate neutral economy’, Council held a policy debate on the relationship between a future EU industrial policy strategy for 2030 and the long-term vision for a prosperous, modern, competitive and climate-neutral EU by 2050.

Member States agreed that the opportunities presented by transitioning to a low-carbon, sustainable economy far outweighed the challenges. The following aspects were identified as being crucial in this transition:

- Sufficient investment / financial support from both the private and public sector
- Special attention to be paid to specific sectors such as energy intensive industries and manufacturing
- Industry related climate change aspects to be further integrated into EU trade policies
- Strict application of better regulation principles
- Financing of SMEs
- Public acceptance and support.

European Semester

The European Semester debate was framed around questions as to (i) whether the European Semester has been effective in delivering structural reforms and the role of microeconomic reforms in supporting future growth and (ii) on ways to improve the Semester process.

Council broadly shared the view that the European Semester is a valuable instrument of economic policy coordination for macroeconomic stability and has a positive effect on structural reform. Member States stressed the need to intensify the analysis of competitiveness aspects at microeconomic level, particularly regarding digitisation, the specific needs of SMEs and the further integration of the services sector.

Commissioner Bienkowska informed Ministers that from this year the European Semester process will consider investment needs, productivity and regional disparity.

Any Other Business:

Directive on the notification procedure for services

Council took note of the possibility of finalising the negotiations on the proposed notifications directive on the basis of a potential compromise. It was noted however that the Commission remained opposed to this compromise while signalling that recent proposals provided a good basis for further discussion.

Directive on digital tools and processes in company law

Council was informed by the Presidency of the latest state of play in discussions on the proposed directive. The directive aims to modernise EU company law by promoting a more extensive use of digital tools for setting up companies and for exchanging documents with national authorities.

Goods package: Regulation on market surveillance and compliance of products

Presidency informed Council on the agreement reached with the European Parliament on 8 February 2019 on the Regulation on market surveillance and compliance of products. This regulation will introduce new rules to ensure that products placed on the EU market comply with EU safety and environmental protection rules.

Further steps following the General Court 'RDE judgement'

At the request of a number of delegations the Commission updated Council on the December 2018 European Court of Justice (ECJ) ruling on Real Driving Emissions (RDE) standards. The ECJ concluded in December 2018 that the Commission did not have the power to amend the limits for RDE tests. The Commission informed Council that it would make a decision shortly on whether it would appeal this ECJ decision.

Lunchtime Discussion

Council held a lunchtime discussion, attended by Commissioner for Budget and Human Resources, Günther Oettinger, on 'The competitiveness dimension of the Multiannual Financial Framework (MFF) 2021-2027'. The MFF, published by the European Commission on 2 May 2018, is essentially the EU budget for that seven-year period.

Key features of the MFF proposal include:

- More funding for priority areas (Research & Innovation, Digital Economy, Young People, Security & Defence, Border Management);
- A new mechanism to protect the budget from financial risks linked to the rule of law;
- A strong focus on European added value and on performance; and
- Less red tape for beneficiaries (a single rulebook).

Presidency had prepared a paper on the topic to guide debate. This put forward questions for discussion on how the key objectives of the EU funding programmes contribute in strengthening Europe's competitiveness and on how we can ensure that synergies and complementarities between various EU spending programmes are effective.

1.1.2. Informal Competitiveness Council (Internal Market and Industry) – Bucharest, 2/3 May 2019

Ireland was represented by Sabha Greene, EU Affairs, Department of Business, Enterprise and Innovation. Council was chaired by the Romanian Minister of Economy, Nicolae Bădălău.

The Commission was represented by the Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bienkowska.

Along with 28 Member States, Norway and Switzerland were also in attendance, together with representatives of Business Europe (The Confederation of European Business), SME United (The European Association of Craft, Small and Medium-Sized Enterprises), and the Committee of the Regions from AELS member states (The European Free Trade Association).

Council included two themed plenary sessions. The first session was dedicated to the contribution of entrepreneurship, SMEs, start-ups and scale ups to the general competitiveness of the EU. The session focussed on a discussion on the potential for a renewal of the EU Entrepreneurial Action Plan, The Small Business Act for Europe.

The second plenary session focused on the integrated approach of the Single Market in support of industry and for better implementation and compliance of the legislative framework. Ministers were asked to consider which tools and measures, on national and EU level, can improve the enforcement and application of Single Market rules to support the global competitiveness of European industry and strategic value chains.

During the working lunch, Ministers discussed the role of energy-intensive industries for the competitiveness of the European economy and that these sectors are important facilitators for clean technologies, thus playing an important role in reducing greenhouse gas emissions at EU and world level. Council also discussed the necessity for European policies to be convergent and to ensure trust in the long term, allowing the industrial sector to prepare significant investment in clean technologies so that innovation and investment take place in Europe with priority.

1.1.3. Formal Competitiveness Council (Internal Market and Industry) – Brussels, 27 May 2019

Ireland was represented by Minister of State for Trade, Employment, Business, EU Digital Single Market and Data Protection, Pat Breen, T.D. Council was chaired by Romanian Minister for Research and Innovation, Mr. Nicolae Hurduc. The Commission was represented by Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bieńkowska and she was joined in the afternoon by Commissioner for Justice, Consumers and Gender Equality, Věra Jourová.

The items discussed at the May Formal Competitiveness Council meeting were:

Competitiveness ‘Check-Up’: The links between competition and competitiveness and the performance of the Single Market

Council took note of a presentation by Commissioner Bieńkowska on the implication of market competition on competitiveness.

Ministers exchanged views on the impact of market competition on the competitiveness of the Single Market. Member States stressed the importance of eliminating existing intra-EU trade barriers in order to create a truly level playing field within the Single Market while the important role played by SMEs in strengthening European competitiveness was also stressed. Some Member States voiced the need to reconsider the definition of ‘relevant market’, in particular with regard to online platforms doing business on a global scale.

The EU’s long-term industrial policy strategy and a new level of ambition for a competitive Single Market

Council held a debate on how to elaborate a comprehensive, long-term EU industrial policy strategy to ensure a sustainable and strong industrial development in the EU, as well as how to strengthen and deepen the Single Market.

Member States broadly agreed on the need for a strong EU industrial base, capable of facing global competition and of seizing the opportunities and addressing the challenges linked to digital transformation and to the transition towards a climate-neutral and circular economy. Member States reiterated the European Council’s call on the Commission to present a comprehensive, long-term EU industrial policy strategy by the end of 2019, in close consultation with member states and stakeholders.

With regard to the Single Market, Member States stressed their willingness to remove unjustified barriers to cross-border trade within the EU, in particular in the services sector. They called for a future Single Market that is digital by default, future-proof and centred on businesses and citizens needs and cross-border experiences. Member States invited the Commission to present a long-term action plan for better implementation and enforcement of Single Market rules by March 2020.

Council also adopted conclusions on both industrial policy strategy and the Single Market.

Competitiveness of the tourism sector

Council adopted conclusions on how to boost the competitiveness of the EU’s tourism sector as a driver for sustainable growth, jobs and social cohesion in the EU for the next decade.

Member States expressed their support for the conclusions and thanked the Presidency for placing the topic back on the Council's agenda. With the conclusions, Council invited the Commission to undertake an in-depth analysis of recent developments and future trends having an effect on the tourism sector and to pursue the most relevant policy on tourism with a vision for 2030 in order to maintain the EU's position as a world leader in this sector.

Any Other Business

Directive on cross-border conversions, mergers and divisions

Council took note of progress achieved so far regarding the proposed directive, which introduces comprehensive procedures for cross-border conversions and divisions and provides for additional rules on cross-border mergers of limited liability companies established in an EU member state. It was noted that an informal agreement was reached with the European Parliament for the adoption of the directive at first reading.

Directive on the modernisation of the EU consumer protection rules

Council was informed of progress achieved so far regarding the proposed directive, which modernises and reinforces EU consumer protection laws as part of the 'New deal for Consumers' launched by the Commission in 2017. It was noted that an informal agreement was reached with the European Parliament for the adoption of the directive at first reading.

Directive on representative actions for the protection of the collective interests of consumers

Council was informed of progress achieved so far regarding the proposed directive, which empowers qualified entities, such as consumer organisations, to seek redress on behalf of a group of consumers that have been harmed by an illegal commercial practice. It was noted that the preparatory bodies of the Council are still examining the proposed directive.

Regulation on the general safety of vehicles

Council was informed of progress achieved so far regarding the proposed directive, which imposes enhanced safety standards for car manufacturers in a bid to significantly reduce the number of road casualties and injuries. It was noted that an informal agreement was reached with the European Parliament for the adoption of the regulation at first reading.

Cooperation among market surveillance authorities on the safety of non-food products

Commissioner Jourová briefed Council of the main findings of the Commission's assessment of the Rapid Alert System for dangerous non-food products (the RAPEX system). The RAPEX system enables quick exchanges of information among 31 European countries and the Commission. It helps track down dangerous products, remove them from the market and keep consumers, particularly vulnerable groups such as children and the elderly, safe.

Better regulation

Council took note of an update from the Presidency of the actions undertaken in the field of better regulation over the last five months, as well as of the conclusions drawn from these activities.

Forum dedicated to auto industry (Craiova, 18 March 2019)

Council took note of an update from the Presidency of the outcome of the automotive industry forum held in Craiova on 18 March 2019, bringing together policy makers and relevant stakeholders. The main conclusion was that the EU automotive industry is making important steps towards zero emissions, electric and autonomous vehicles.

Circular Plastics Alliance

Commissioner Bieńkowska briefed Council of the latest state of play regarding the Circular Plastics Alliance and the future process. The Alliance is an initiative launched by the Commission in December 2018 in order to boost the EU market for recycled plastics through voluntary actions and commitments. The target is to reach 10 million tonnes of recycled plastics that will be used within the EU in 2025.

Work programme of the incoming presidency

Council was informed of the work programme of the incoming Finnish presidency as regards internal market and industry policies.

Lunchtime Discussion

Council held a lunchtime debate with Commissioner Bieńkowska on “EU Public Procurement contribution to cross-border cooperation for a deeper Single Market”. Presidency had prepared a paper on the topic to guide the debate. This put forward questions for discussion on how access to information and cooperation of public buyers across borders can be improved and whether the digitalisation of the full procurement process should be a priority.

1.2. Meetings of the Competitiveness Council (Research and Space)

The Competitiveness Council (Research) met on three occasions during the first half of 2019:

- Formal Competitiveness Council (Research) – Brussels, 19 February 2019
- Informal Competitiveness Council (Research) – Bucharest, 3 April 2019
- Formal Competitiveness Council (Research and Space) – Brussels, 28 May 2019

1.2.1. Formal Competitiveness Council (Research) – Brussels, 19 February 2019

Ireland was represented by Minister of State for Training, Skills, Innovation, Research and Development, John Halligan T.D. The meeting was chaired by Nicolae Hurduc, Romanian Minister for Research and Innovation. The Commission was represented by Commissioner for Research, Science and Innovation, Carlos Moedas.

The Council discussed a Presidency progress report on the proposed Specific Programme for the next EU research and innovation framework programme, Horizon Europe. Ministers exchanged views on the areas for missions and partnerships, as well as on the role of the European Innovation Council (EIC).

Council accepted a revised list of areas for missions and partnerships proposed by the Presidency. Member States also agreed on the need for coherence and alignment between Horizon Europe missions and national research and innovation strategies.

Ministers reiterated their support for the EIC and stressed the need to ensure coherence between national and EU funding programmes. How the EIC is designed is the most important issue for Ireland. Of particular importance is the compromise text agreed in the Partial General Approach on the Framework Programme Regulation in November 2018 which provides for grant-only support for SMEs in addition to blended finance and equity-only supports.

There was broad support for the Presidency's proposal to progress the Specific Programme file as quickly as possible. It was agreed that Coreper would approve a Partial General Approach in early March to ensure that the inter-institutional dialogue with the Parliament could commence as soon as possible.

1.2.2. Informal Competitiveness Council (Research) – Bucharest, 3 April 2019

Ireland was represented by Minister of State for Training, Skills, Innovation, Research and Development, John Halligan T.D. The meeting was chaired by Nicolae Hurduc, Romanian Minister for Research and Innovation. The Commission was represented by Commissioner for Research, Science and Innovation, Carlos Moedas.

Member States acknowledged the achievements of the Presidency in reaching a common understanding on the Horizon Europe Regulation, which was to be considered by the European Parliament on the 15 April.

The main focus of the morning session was how the proposed measures in Horizon Europe can effectively address the performance gaps between Member States.

Member States agreed that effective measures at EU level are required to strengthen national research and innovation capacity and facilitate greater participation. However, excellence must remain the main criterion for the award of EU funding under Horizon Europe.

During the afternoon session, Council discussed the development of a strategic framework for research and innovation cooperation in the Black Sea. The Black Sea is considered an outstanding natural laboratory and a unique place to study the earth system responses to climate changes.

Member States supported the development of the framework and the recent call under Horizon 2020 to support the coordination of marine and maritime research and innovation in the Black Sea was welcomed.

1.2.3. Formal Competitiveness Council (Research & Space) – Brussels, 28 May 2019

Research:

Ireland was represented by Joseph Moore, Principal Officer in the Department of Business, Enterprise and Innovation. The meeting was chaired by Nicolae Hurduc, Romanian Minister for Research and Innovation. The Commission was represented by Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bieńkowska.

The main agenda item was a policy debate to discuss how the EU can ensure that research and innovation are a driving force for a more competitive Europe.

The Presidency noted that the discussion identified three key strategic choices that need to be taken up at EU level to support competitiveness:

1. Adequate investment in excellence-based research and innovation – in addition to EU investment, increased investment by Member States is a necessary precondition;
2. The Horizon Europe Strategic Plan should be implemented in a way to leverage investment at local/national level; and
3. Europe needs to ensure a level playing field, with a state aid framework and regulatory environment that are conducive to innovation.

The Research Ministers of the Visegrad Group (Czech Republic, Hungary, Poland and Slovakia), Bulgaria, Croatia, Estonia, Latvia, Lithuania and Slovenia signed a common declaration on the future role of the BIOEAST Initiative in the context of Horizon Europe

Commissioner Bienkowska acknowledged the work done by the BIOEAST initiative and noted that as part of the bio-economy strategy, the Commission intends to assist the initiative through Horizon Europe.

Space:

Ireland was represented by Ambassador and Deputy Permanent Representative, Joe Hackett. The meeting was chaired by Nicolae Hurdac, Minister of Research and Innovation. The Commission was represented by Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bienkowska.

The morning session on space was divided into three parts. The first session in Competitiveness Council format involved a policy debate on strengthening Europe's role as a global actor in space, adoption of draft Council Conclusions on space as an enabler, and a presentation by the incoming Finnish Presidency on their proposed work programme. For the second session, The European Space Agency (ESA) discussion involved the adoption of the Resolution on Space as an Enabler by the ESA Council. The final session was the EU-ESA Space Council which held an exchange of views based on a joint paper of the Romanian Presidency of the EU and Spain's Presidency of the ESA Council.

During the policy debate the need for the EU to have a common vision on space and speak with a unified, authoritative voice in international fora was stressed. Autonomous access to space was also flagged as an important issue.

In the ESA-EU Council many Member States spoke of the need to raise awareness among EU citizens of the benefits provided by space. It was also agreed that uptake by industry of cross cutting space applications was important in order to tackle societal challenges in the domains of climate change mitigation, agriculture, security and marine affairs. Overall, it was agreed that the main aim of the Space Council should be to ensure that the European space sector remains competitive in a challenging global environment.

2. Foreign Affairs Council (Trade)

2.1. Meetings of the Foreign Affairs Council (Trade)

The Foreign Affairs Council (Trade) met on two occasions during the period January to June 2019:

- Informal Foreign Affairs Council (Trade) – Bucharest, 22 February 2019
- Formal Foreign Affairs Council (Trade) – Brussels, 27 May 2019

2.1.1. Informal Foreign Affairs Council (Trade) – Bucharest, 22 February 2019

Ireland was represented by John Hughes, Trade Policy Director in the Department of Business, Enterprise and Innovation. Discussions on the World Trade Organisation (WTO) modernization process and EU-US trade relations were the main issues on the agenda. The meeting was chaired by Ștefan-Radu Oprea, Minister for Business Environment, Trade and Entrepreneurship, with the participation of the EU Commissioner for Trade, Cecilia Malmström.

The agenda of the plenary session included the EU strategy concerning the WTO modernization process, notably the Appellate Body crisis. Ministers underlined the need to advance sectorial WTO negotiations, with a view to achieving tangible results at the 12th WTO Ministerial Conference, which will take place between 8th-11th June 2020, in Astana, Kazakhstan.

On the EU-US trade relations, Ministers agreed to continue the discussions at political level, with a view to adopting proposals for negotiating directives for its trade talks with the United States: one on conformity assessment, and one on the elimination of tariffs for industrial goods, as soon as possible. These negotiations follow the Joint Statement agreed by President Juncker and President Trump in July 2018.

During the working lunch, Commissioner Malmström updated the Council on the ongoing trade negotiations with third countries (Australia, New Zealand, Mercosur, Mexico, Tunisia, Chile etc.) and on the implementation of the EU “Everything-But-Arms” initiative under the GSP Regulation, especially in relation with Cambodia and Myanmar.

Roberto Azevêdo DG of WTO and Bernd Lange, Chair of the Committee on International Trade of the European Parliament attended the official dinner on Thursday, offered by the Romanian Presidency to the EU trade ministers.

2.1.2. Formal Foreign Affairs Council (Trade) – Brussels, 27 May 2019

Ireland was represented by Ambassador Declan Kelleher. The Council meeting was chaired by Ștefan-Radu Oprea, Minister for Business Environment, Trade and Entrepreneurship, with the participation of the EU Commissioner for Trade, Cecilia Malmström. The main items discussed at the May Trade Council meeting included, a state of play discussion of the reform of and negotiations in the WTO.

In particular the Commission briefed ministers on its latest initiatives to promote a EU comprehensive approach towards the modernisation of all the main functions of the WTO: rulemaking, monitoring and dispute settlement.

As regards the Appellate Body crisis, the Council agreed that the EU should reach out to other WTO members to work on an interim solution that preserves the binding character and the two-levels of adjudication of the WTO dispute settlement system.

The Council also adopted negotiating directives to frame the position of the European Union and guide the action of the Commission in the plurilateral negotiations on electronic commerce in the WTO.

The Council was also informed by the Commission about latest developments in trade relations between the EU and the United States, with particular regard to the work of the EU-US Executive Working Group, as well as the ongoing negotiations on conformity assessment

and the elimination of tariffs for industrial goods. Ministers also took the opportunity to consider the recent US decision to postpone tariffs on imported cars by 180 days, pending the negotiation of an agreement to address the issue of US imports of EU cars.

2.1.3. Trade Matters considered at other Councils

In April 2019, the Council (in Agriculture and Fisheries formation) approved mandates for the Commission to open negotiations with the US on the elimination of tariffs for industrial goods and on conformity assessment, in line with the July 2018 Joint Statement agreed by Presidents Juncker and Trump.

3. Finnish Presidency of the Council of the EU (July – December 2019)

Finland assumed the rotating Presidency of the Council of the EU on 1 July 2019. The Finnish Presidency work agenda will focus on four main pillars, namely:

- **Strengthen EU Common Values and rule of law:** improve and strengthen the EU's rule of law toolbox, find better and more efficient ways to ensure respect for the EU's common values in the member states and to forestall potential problems, further develop the rule of law dialogue in the Council, fight corruption and pursue the negotiations on making the receipt of EU funds conditional on respect for the rule of law.
- **Make the EU more Competitive and Socially Inclusive:** achieve this objective by having measures to improve the functioning of the Single Market and promoting an ambitious, rules-based trade policy.
- **Strengthen the EU's position as a global leader in Climate Change:** raising the EU's profile as a global leader in climate action by continuing the work on defining the key elements for the EU's long-term climate strategy for 2050 by the end of 2019 at the latest, support a Common Agriculture Policy that can better respond to climate change, take forward actions to implement the UN Convention on Biological Diversity and encourage implementation of the energy union and promote emissions reductions.
- **Protecting the security of EU Citizens:** keep the EU a strong, united and effective global player, protect Europe and provide security through cooperation in security and defence and prevent and counter hybrid threats.

3.1. Schedule of Meetings during the Finnish Presidency

Scheduled European Council meetings (EU Heads of State or Government)

- European Council – 17/18 October (Brussels)
- European Council – 12/13 December (Brussels)

Scheduled Competitiveness Council meetings

- Informal Council: Research – 4 July (Helsinki)
- Informal Council: Internal Market & Industry – 5 July (Helsinki)

- Formal Council: Internal Market, Industry and Research – 26/27 September (Brussels)
- Formal Council: Internal Market, Industry, Research and Space – 28/29 November (Brussels)

Scheduled Foreign Affairs Council (Trade) meetings

- Informal Council: Not currently scheduled
- Formal Council: 21 November (Brussels)

3.2. Overview of key issues likely to arise in relevant Councils during the Finnish Presidency

Competitiveness Council (Internal Market and Industry)

The Finnish Presidency wishes the EU to focus on developing the Single Market over the next few years. It's view is that the most important way to promote growth and wellbeing is to increase the effectiveness of the Single Market. The Single Market boosts the competitiveness of European businesses, creates jobs and enhances people's wellbeing.

The Presidency considers that the Single Market needs to be developed in a comprehensive way, paying attention to each individual sector. Digitalisation, industrial policy and trade policy are key themes associated with the Single Market. The Finnish Presidency is of the view that a comprehensive approach is the best way to ensure the EU gets the most out of the Single Market.

The Presidency aims to strengthen Europe's global leadership in the digital economy and in the technologies of various sectors, including manufacturing, healthcare, mobility and the creative industries.

The Presidency will support new business opportunities and emissions reductions in the transport sector. The Presidency will promote an active industrial policy for the EU.

The Presidency aims to take the data and platform economy forward and build up the Single Market for services, particularly digital services.

The Presidency intends to support new business opportunities and emissions reductions in the transport sector, ensure compliance with modern employment and social standards in the EU and assess the need to update employment legislation and social protection systems in order to address new forms of employment.

Competitiveness Council (Research)

The Finnish Presidency will focus on:

- Future research and innovation policy as a driver of sustainable growth – the Presidency is planning to prepare an integrated Presidency paper for the Competitiveness Council in September covering the full remit of the Council – that is including the internal market, industry and research.
- Advancing the Horizon Europe package – in particular synergies with other MFF programmes; and

- Progressing negotiations of the European Institute of Innovation and Technology (EIT) Regulation, which was published on 12 July 2019

Competitiveness Council (Space)

The Finnish Presidency will primarily focus on The Arctic in relation to Space activities over the coming months. They also intend to explore solutions to the sustainable use of space and the new space economy during their Presidency.

Foreign Affairs Council (Trade)

With regard to the Trade agenda in particular, the Finnish Presidency have made clear that pursuing an ambitious, open and rules-based trade policy is the best way to enhance the EU's competitiveness and its status as an attractive trading partner. To support economic growth and employment in Europe, the EU needs to open new markets and strengthen its common rules.

Finland's Presidency aims to:

- strengthen the multilateral trading system
- modernise the World Trade Organization (WTO) and uphold its binding dispute settlement system
- continue negotiations on ambitious and balanced trade agreements with key partners
- reinforce the binding nature of sustainable development goals in EU trade agreements
- ensure the swift entry into force and effective implementation of negotiated agreements
- continue discussions on strengthening the EU's trade relations with the United States
- promote balanced trade and investment relations with China.

The Finnish Presidency is not currently scheduled to hold an informal Trade Council meeting (but if it does, depending on international developments, it will be in Brussels in late September or early October), the formal meeting is scheduled to take place on the 21 November 2019 in Brussels.

Part II – Oireachtas Scrutiny Proposals January– June 2019

COM Number	Subject	Section	Date Examined by Committee	Current Update on Proposal
COM (2019) 007	Proposal for a COUNCIL DECISION on the renewal of the Agreement on cooperation in science and technology between the European Community and the Government of the Russian Federation.	IRDP Section	16/04/2019 No further Scrutiny	On the 18 January 2019, the Commission published a proposal for a Council decision to extend the existing agreement for scientific and technological cooperation between the EU and Russia by five years. On the 6 May 2019, the Permanent Representatives Committee was invited to suggest that the Council adopt the draft decision on the renewal.
COM (2019) 31	Proposal for a COUNCIL DECISION on the position to be adopted, on behalf of the European Union, within the EEA Joint Committee concerning an amendment to Annex II (Technical regulations, standards, testing and certification) and Annex XI (Electronic communication, audiovisual services and information society) to the EEA Agreement	NSAI Liaison Unit	16/04/2019 No further scrutiny	Proposal was adopted on 4 March 2019 by the Council of the European Union and the EEA Joint Committee by Council Decision (EU) 2019/381.
COM (2019) 58	Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union in the EPA Committee established under the Interim Agreement establishing a framework for an Economic Partnership Agreement between the Eastern and Southern Africa States, on the one part, and the European Community and its Member States, on the other part, as regard the amendment of certain provisions	Trade Policy Unit	16/4/2019 No further scrutiny	The African, Caribbean and Pacific (ACP) Working Party reached agreement on the text of the draft Council Decision on 14 March 2019. The Permanent Representatives Committee was accordingly invited (document ref. 10190/19, 11 June 2019) to recommend that the Council adopt the text set out in document 8230/19, after finalisation by the legal/linguistic experts, and inform the European Parliament of the adoption.

COM Number	Subject	Section	Date Examined by Committee	Current Update on Proposal
	of Protocol 1 concerning the definition of the concept of 'originating products' and methods of administrative cooperation			The draft Council Decision has not yet been adopted by Council.
COM (2019) 46	Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union in the Committee on Government Procurement concerning the accession of the United Kingdom of Great Britain and Northern Ireland to the Agreement on Government Procurement in the context of its withdrawal from the European Union	Trade Policy Unit	16/4/2019 No further scrutiny	Adopted by Council on 22/02/2019. Published in the Official Journal of the European Union on 04/03/2019. (Council Decision (EU) 2019/349; OJ L63, 4.3.2019, page 12).
COM (2019) 141	COM (2019) 141 - Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union in the Joint Committee established under the Agreement between the European Union and Japan for an Economic Partnership as regards the adoption of the Rules of Procedure of the Joint Committee, the Rules of Procedure of a Panel, the Mediation Procedure and the Code of Conduct for Arbitrators.	Trade Policy Unit		The proposal was adopted by General Affairs Council as Council Decision (EU) 2019/614 on 9th April 2019. It was published in the Official Journal of the European Union on 30th April 2019 (L 105/11) This proposal does not require transposition
COM (2019) 148	Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union in the EPA Committee established under the stepping stone Economic Partnership Agreement between	Trade Policy Unit	08/05/2019 No further scrutiny	The African, Caribbean and Pacific (ACP) Working Party reached agreement on the text of the draft Council Decision on 2 April 2019. The Permanent Representatives Committee was accordingly invited (document ref. 10985/19, 4 July 2019) to recommend that the Council adopt the text set out in

COM Number	Subject	Section	Date Examined by Committee	Current Update on Proposal
	the Côte d'Ivoire, of the one part, and the European Community and its Member States, of the other part, as regards the adoption of Protocol 1 concerning the definition of the concept of 'originating products' and methods of administrative cooperation			document 8776/19, after finalisation by the legal/linguistic experts, and inform the European Parliament of the adoption. The draft Council Decision has not yet been adopted by Council.
COM (2019) 154	Proposal for a COUNCIL DECISION on the position to be adopted, on behalf of the European Union, in the Trade Committee established under the Interim Partnership Agreement between the European Community, of the one part, and the Pacific States, of the other part, as regards a recommendation for certain amendments to be made to the Agreement to take account of the accession of Samoa and of future accessions of other Pacific Islands	Trade Policy Unit	08/05/2019 No further scrutiny	The African, Caribbean and Pacific (ACP) Working Party reached agreement on the text of the draft Council Decision on 17 May 2019. The Permanent Representatives Committee was accordingly invited (document ref. 9912/19, 4 June 2019) to recommend that the Council adopt the text set out in document 9579/19 + ADD 1/19, after finalisation by the legal/linguistic experts.
COM (2019) 181	Proposal for a COUNCIL DECISION on the position to be taken on behalf of the European Union, in the Working Group on Geographical indications set up by the Free Trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, as regards the adoption of its rules of procedure.	Trade Policy Unit		The proposal was adopted by X Council as Council Decision (EU) 2019/845 on 17th May 2019. It was published in the Official Journal of the European Union on 24th May 2019 (L 138/84) This proposal does not require transposition
COM (2019) 204	Proposal for a COUNCIL DECISION on the accession of Solomon Islands to the Interim Partnership Agreement between the	Trade Policy Unit	11/06/2019	On the 14 May 2019, the African, Caribbean and Pacific (ACP) Working Party agreed that the European Commission's Proposal would be further processed with a view to requesting the consent of the European Parliament to

COM Number	Subject	Section	Date Examined by Committee	Current Update on Proposal
	European Community, of the one part, and the Pacific States, of the other part.		No further scrutiny	<p>the accession of Solomon Islands to the Interim Partnership Agreement. The Permanent Representatives Committee was accordingly invited (document ref. 9750/19/19, 28 May 2019) to recommend that the Council decide to request the consent of the European Parliament on the basis of the draft text set out in document 9405/19 + ADD1, after finalisation by the legal/linguistic experts.</p> <p>The draft Council Decision has not yet been adopted by Council.</p>
COM (2019) 210	Proposal for a COUNCIL REGULATION amending Regulation (EU) No 1388/2013 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products	Inward Investment & North South Unit	11/06/2019 No further scrutiny	No further scrutiny required. Regulation came into effect EU-wide on 1 July 2019. This regulation is updated twice a year – January and July - to include new quotas and delete old ones and operates in tandem with 1387/2013.
COM (2019) 219	Proposal for a COUNCIL REGULATION amending Regulation (EU) No 1387/2013 suspending the autonomous Common Customs Tariff duties on certain agricultural and industrial products	Inward Investment & North South Unit	11/06/2019 No further scrutiny	No further scrutiny required. Regulation came into effect EU-wide on 1 July 2019. This regulation is updated twice a year – January and July - to include new suspensions and delete old ones and operates in tandem with 1388/2013.