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President

Mrs Dana Reizniece-Ozola
Minister for Economics

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- 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>).
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ITEMS DEBATED

Digital single market policy: the digital transformation of European industry

The Council exchanged views on digital single market policy and adopted [conclusions on the digital transformation of European industry](#).

The outcome of the exchange of views and the conclusions will be a valuable contribution to the discussions on digital single market policy planned at the European Council on 25-26 June 2015.

The Commission presented the challenges lying ahead the implementation of the new digital single market strategy, and how the strategy will operate to unleash the full potential of Europe's digital economy to deliver growth and jobs.

Ministers agreed that the strategy covers the most important issues for completing the digital single market.

Many referred to the importance of suitable copyright rules, updated e-commerce rules, interoperability, digital skills, increase the level of confidence, awareness and protection of consumers and effective data protection rules.

Among the priority actions to be taken forward in particular areas, it was mentioned the need to:

- facilitate digital tools and create the right framework conditions for SMEs, in particular for start-ups;
- remove barriers that create bottlenecks to the digital market;
- promote the digitalisation of European industry and take advantage of its potential for growth and jobs, including through cooperation with industrial clusters;
- examine fiscal aspects with an impact on digital tools;
- apply e-governance in public administrations;
- reflect on a level playing field for digital platforms;
- increase investment in digital infrastructures and networks;
- consider all possible new EU legislation under the "digital by default" principle.

The [digital single market strategy for Europe](#), released by the Commission on 6 May 2015, seeks to make a better use of the great opportunities offered by digital technologies by removing barriers which curb economic growth. It builds on three strands:

- better online access to goods and services for consumers and businesses;
- to set up the right conditions and a level playing field for networks and innovative services;
- to expand the growth potential of the digital economy.

The strategy includes a roadmap of legislative and non-legislative measures to be delivered by 2016 in line with smart regulation principles.

Last March, EU industry ministers discussed the need to incorporate aspects of industrial policy in the digital single market strategy. They noted several obstacles that prevent industry from embracing digital innovations and tools (see press release [6715/15](#), page 6).

These aspects are addressed in the conclusions on the digital transformation of European industry.

Travel packages

The Council confirmed, by qualified majority, a political agreement on the reform of the Travel Package Directive.

Seven delegations voted against: Austria, Belgium, Estonia, Ireland, Malta, The Netherlands and Slovakia.

The new directive will update current EU rules on package holidays by aiming to adapt to travel market developments in order to meet the needs of consumers and businesses in the digital era.

It will extend the protection for traditional packages to combinations of separate travel services, in particular if sold online.

For more details see [press release](#).

Consumer product safety and market surveillance package

The Council discussed, in public deliberation, the consumer product safety and market surveillance package.

The debate focused on the way forward to solve the only pending political issue of the package, which relates to a proposed provision requiring mandatory indication of origin marking for industrial products, known as the "made-in" labelling clause.

In spite of all efforts made by the Presidency, an agreement on a general approach could not be achieved.

The debate took place against the background of a new cost/benefit [study](#), issued by the Commission on 6 May, on the impact of the implementation of the made-in clause for six categories of manufacturing products: toys, domestic appliances, consumer electronics, textiles, footwear and ceramics.

Last December, the Council had asked the Commission to present further evidence on the costs and benefits of the proposed mandatory marking of origin with the aim of moving the negotiations forward.

Currently there is no mandatory origin-labelling requirement within the EU that applies to non-food consumer products. Producers are free to label the products with the country of origin if they so wish.

The Commission presented the package in February 2013. It is made up of two draft regulations: one on consumer product safety, and one on market surveillance.

Single-member private limited liability companies

Following a debate, the Council reached an agreement on a compromise text, tabled by the presidency, on a draft directive aimed at creating a new status for single-member private limited liability companies.

The agreement constitutes the Council's general approach which will serve as the basis for forthcoming negotiations with the European Parliament.

The draft directive aims to facilitate the cross-border activities of businesses, particularly SMEs, and the establishment of single-member companies as subsidiaries in other member states, by reducing the costs and administrative burdens involved in setting up these companies. This will enable businesses to enjoy the full benefit of the internal market.

To achieve this objective, the draft directive introduces a common framework governing the formation of single-member companies.

Member states would have to ensure that their national legal systems provided for a form of company that complied with common rules established in the directive. Thus, it would be a national legal form and not a European one. Under a common name, it would have an EU-wide abbreviation: SUP (*Societas Unius Personae*).

For more details see [press release](#).

Any other business

– ***Trade mark reform***

The Council took note of the provisional agreement reached between the presidency of the Council and European Parliament representatives on 21 April.

See press release: [Trade marks reform: presidency secures provisional agreement](#)

The agreement on the political aspects has to be incorporated in the final texts with a view to submitting them for endorsement to the Council's Committee of Permanent Representatives (Coreper) in June.

The process for the adoption of the Council's position at first reading will start immediately thereafter.

– ***Unitary Patent protection system***

The Council took note of [updated information](#) how the implementation of the unitary patent protection system is progressing. The information was given by the Commission and the chairs of the two committees in charge of preparations for the establishment of the system and of the Unified Patent Court.

Several member states and the Commission recalled the importance of completing the ratification procedures as soon as possible so that the system can be in place in 2016.

A number of member states and the Commission underlined the importance of setting affordable levels of fees to make the system more attractive to SMEs.

– ***Defence and security industries***

The Council took note of a report by the Commission on the implementation of a communication on defence. It was first presented to the Foreign Affairs Council on 18 May, which also approved conclusions.

The contribution of the Commission and the High Representative on defence matters to upcoming discussions by the European Council on 25-26 June is two-fold:

- A [joint report](#) which provides an update on the EU's progress in promoting a European Defence and Technological Industrial Base, most notably in the areas of the internal market, research and industrial policies.
- A [second report](#) which presents an overview on the EU's activities in security and defence since December 2013.

In July 2013, the Commission presented a communication entitled "Towards a more competitive and efficient defence and security sector". This communication announced a roadmap with actions and timelines, which was published on 24 June 2014 under "A New Deal for European Defence: Implementation Roadmap".

– ***SME policy and Small Business Act***

At the request of the German delegation, the Council took note of information by the Commission on the course of action for a review of the Small Business Act.

The Commission explained that the SME dimension will have to be clearly reflected in the upcoming internal market strategy for goods and services and in mainstreaming industrial competitiveness in EU policies.

– ***Follow-up on internal market and industry conclusions***

The Council took note of a [report](#) on the follow-up to the conclusions on internal market and industry adopted in December 2013.

The report was drawn up by the “High level working group on competitiveness and growth”, a Council’s advisory group.

One of the main tasks of the high level group is the monitoring on the implementation of Council conclusions to help member states to ascertain the progress made.

– ***Work programme of the upcoming Luxembourgish Presidency***

The Luxembourgish delegation informed ministers about the Presidency's work programme on competitiveness for the second half of 2015.

<http://www.eu2015lu.eu/>

OTHER ITEMS APPROVED

TRADE POLICY

Safeguard measures in Agreement with Norway - Codification

The Council adopted a codified version of a regulation on safeguard measures provided for in the Agreement between the European Economic Community and Norway ([PE-CONS 14/15](#)).

The new regulation replaces the various acts incorporated into regulation 1692/73, while fully preserving their content.

Textile imports

The Council adopted a regulation recasting rules on imports of textile products from certain third countries not covered by bilateral agreements or other arrangements or by specific import rules.

[2015 regulation on textiles imports from third countries not covered by bilateral arrangements](#)

It also approved a regulation repealing regulation 3030/93 on common rules for imports of certain textile products from third countries.

Following the accession of Russia to the WTO in 2012, Serbia remained the last country with which the EU had a bilateral agreement on trade in textiles. After the signing of the EU's stabilisation and association agreement with Serbia in 2008, and the entry into force in 2010 of an interim agreement on trade and trade-related matters with Serbia, regulation 3030/93 no longer applied to imports from Serbia. The regulation is therefore repealed for reasons of legal certainty.

FOREIGN AFFAIRS

Stabilisation and Association Agreements - Codification

The Council adopted codified versions of regulations related to Stabilisation and Association Agreements with Albania ([PE-CONS 16/15](#)), Bosnia and Herzegovina ([PE-CONS 17/15](#)) and the Former Yugoslav Republic of Macedonia ([PE-CONS 18/15](#)).

The new regulations replace the various acts incorporated into the replaced regulations, while fully preserving their content.

JUSTICE AND HOME AFFAIRS

EU-USA Transatlantic cooperation

The Council noted the lines of approach of the [draft renewed EU-US Statement Enhancing Transatlantic cooperation in the area of Justice, Freedom and Security](#) and authorised the Presidency, with the Commission, to continue discussing with the U.S. side the text on that basis, with a view to the adoption of the Statement at the next EU-US JHA Ministerial meeting (Riga, 2-3 June 2015).

TRANSPORT**EU-wide real-time traffic information services**

The Council decided not to object to a corrigendum to the Commission delegated regulation on EU-wide real-time traffic information services. The Commission regulation supplements directive 2010/40/EU, which is aimed at speeding up the deployment of intelligent transport systems (ITS) across Europe. The corrigendum concerns only the inappropriate use of the word "namely" for some categories of data. As the change affects several language versions of the text, a new period of reactions from the Council and the Parliament was launched by the Commission.

The regulation as corrected is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects to it.

[Corrigendum to Commission regulation on real-time traffic information services](#)

[Commission regulation on real-time traffic information services](#)

[Commission regulation on real-time traffic information services - data categories](#)

AGRICULTURE**Pesticides - Maximum residue levels**

The Council decided not to oppose the adoption of a Commission regulation amending annexes II and III to regulation 396/2005 as regards maximum residue levels (MRLs) for difenoconazole, fluopicolide, fluopyram, isopyrazam and pendimethalin in or on certain products ([8296/15](#)).

It also decided not to oppose the adoption of a Commission regulation amending annexes II, III and V to regulation 396/2005 as regards maximum residue levels for azoxystrobin, dimoxystrobin, fluroxypyr, methoxyfenozide, metrafenone, oxadiargyl and tribenuron in or on certain products ([8160/15](#)).

Regulation 396/2005 establishes the maximum quantities of pesticide residues or MRLs permitted in products of animal or vegetable origin intended for human or animal consumption. These MRLs include, on the one hand, levels which are specific to particular foodstuffs intended for human or animal consumption and, on the other, a general limit which applies where no specific level has been set. MRL applications are communicated to the European Food Safety Authority (EFSA) which issues a scientific opinion on each intended new MRL. Based on EFSA's opinion, the Commission proposes a regulation to establish a new MRL or to amend or remove an existing MRL and modifying the annexes of regulation 396/2005 accordingly.

These Commission regulations are subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt them unless the European Parliament objects.

GENERAL AFFAIRS**European citizens' initiative**

The Council decided not to object a Commission regulation concerning certain technical amendments to regulation 211/2011 on the European citizens' initiative ([8120/15](#)).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects to it.
