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Iain Wright MP
Chair - Business, Innovation and Skills Committee
14 Tothill Street
House of Commons
London SW1H 9NB

9 October 2015

Dear Iain,

EU Competitiveness Council 1st October

The Competitiveness Council took place on 1st October in Luxembourg, I represented the UK.

The first item on the agenda was a 'Competitiveness Check-Up'. Commissioner Bienkowska opened the debate by highlighting the importance of integrating trade in the single market and that regulatory burdens were lower in the United States than in the EU. She went on to highlight the differences between Member States in retail and professional services. The Presidency noted ongoing discussions across different Council formations which had significant competitiveness impacts.

I supported the Presidency in their introduction of the new 'Check-Up' and welcomed the adoption of the Telecoms package, which signals the end of roaming charges, and the action plan for the Capital Markets Union. I emphasised to the Commission and other Member States the importance of showing a high level of ambition in the forthcoming Single Market Strategy (due to be published on 27th October). Several Member States supported the nature of the debate and my intervention by highlighting the importance of the single market in services. The Presidency concluded that there was support for the new debate format and would prepare a similar item for the next Council on 30th November; it would include more detailed macroeconomic data and information on global competitiveness.

There then followed an item on the informal Space Council, as any other business. The Presidency announced its intention to hold a Space Council after the next Competitiveness Council. The Commission noted that while it shared the Presidency's objectives, it did not support the proposed mechanism for holding a discussion. The Commission argued that the framework agreement on EU-ESA relations was outdated and did not reflect the EU's shared competence in space matters. I, along with other influential Member States, intervened to support the Presidency's plans.

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Transparency obligation under the Accounting Directive were also raised as an any other business item. This was requested by the Netherlands amid concerns about the delay in implementing the rules on transparency in the United States. The Commission confirmed that the US Securities and Exchange Commission remained committed to introducing country by country reporting and that it would continue to press the US and keep the Council informed. Several Member States supported my intervention calling for an early agreement.

The final point on the agenda was an update on the Unitary Patent. The Commission formally announced that Italy joining the unitary patent and pressed Member States to make progress, particularly stressing that narrow national interests should not influence the patent fees debate. I intervened to explain that domestic preparations for ratification should be completed next spring. I called for a fair outcome on patent fees and for all Member States to be flexible.

The Council was followed by the signing of the Protocol on Provisional Application of the Unified Patent Court Agreement. I signed for the UK alongside six other Member States. This represents a key milestone in bringing the Unified Patent Court into force, expected at the beginning of 2017.

A copy of both letters will be placed in both Libraries once Parliament has returned.

I am writing in similar terms to Sir William Cash, Chair, European Scrutiny Committee, House of Commons, Committee, Lord Boswell Chair of the European Union Select Committee, House of Lords and am copying to the Clerks of both Committees, Les Saunders (Cabinet Office) and Marzena Bujalska (BIS Parliamentary Scrutiny).

Warm regards

Lucy Neville-Rolfe

BARONESS NEVILLE-ROLFE DBE CMG

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