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From: Presidency  
To: Delegations  
Subject: European Industrial Renaissance: Presidency paper

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Delegations will find in annex a document from the Presidency in view of High Level Group on Competitiveness and Growth of 31 January 2014.

## **European Industrial Renaissance**

The longest-ever financial and economic crisis in EU history has hit the European economy particularly hard. Recent indicators show that after five years the EU is finally on the right track but the recovery remains modest. **Europe needs to lay the basis for post-crisis growth and modernisation.**

In its 22 January 2014 Communication “For a European Industrial Renaissance”, the Commission establishes that annual private investments - the foundations for a sustained recovery and long-term European industrial competitiveness - remain 350 billion EUR lower today than in 2007. In this context, the Commission argues that the EU must urgently **stimulate investments in innovation and new technologies.**

The funding under the new **Multiannual Financial Framework 2014-2020** represents an opportunity to foster investments into the six priority areas for actions identified in the 2012 Industrial Policy Communication. In addition to Horizon 2020 and COSME funds, 100 billion EUR will be available through Regional funds to finance investments in the context of **smart specialisation**. Member States and their regions will have the possibility to concentrate funding on areas where they have strong comparative advantages. Creation of smart specialisation platforms as proposed by the Commission could help regions develop operational programmes by facilitating contacts between firms and clusters.

In addition, the Communication emphasises that to achieve "the European Industrial Renaissance" Member States need to recognise the **central importance of industry** for boosting competitiveness and sustainable growth. Consequently, it proposes that competitiveness concerns be systematically **mainstreamed across all policy areas.**

To this end, better coordination mechanisms of different policies such as environmental, climate, energy, trade, competition and state aid, regional policies in support of industrial competitiveness could be ensured both by the Commission as well as by the co-legislator.

## Issues for discussion

- What is the position of the COMPCRO HLG regarding the priorities of actions put forward by the Commission?
  - How to best streamline all available funds and in particular Structural Funds in support of smart specialisation and European Industrial Renaissance?
  - Would you envisage any other concrete actions that could contribute to a faster and more effective implementation of policies targeting industrial competitiveness? Should specific monitoring instruments be considered? Could the COMPCRO HLG play a specific role in this context?
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