



Council of the  
European Union

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**NOTE**

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From: Presidency  
To: Delegations  
Subject: Draft Council conclusions on mainstreaming industrial competitiveness

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Delegations will find attached draft Council conclusions on mainstreaming industrial competitiveness.

This text will be examined at the COMPCRO meeting on 10 July 2014.

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## Draft Council conclusions on mainstreaming industrial competitiveness

Having regard to the Commission Communication for a European Industrial Renaissance<sup>1</sup>;

Having regard to the conclusions of the European Council of March 2014<sup>2</sup> which, answering the above Communication, state that industrial competitiveness concerns should be systematically mainstreamed across all EU policy areas and be part of impact assessments with a view to a stronger industrial base for Europe's economy and which invite the Commission to present a roadmap for taking work forward on the basis of the Communication;

THE COUNCIL OF THE EUROPEAN UNION,

1. ACKNOWLEDGES the impetus provided by the Communication for a European Industrial Renaissance and WELCOMES the call on the Commission to present a roadmap for taking work forward on the basis of the Communication with a view to stimulating jobs and growth;
2. SUPPORTS the policy objective of halting the decline in value creation in European industry, EMPHASISES in this respect the need to formally adopt the target of industry contributing to 20 % of European GDP by 2020 and to include this objective in the review of the Europe 2020 Strategy; SUGGESTS that the 20 % target for industry should be seen in terms of aligning of the target setting policy with the EU's climate and energy 20/20/20 targets, with full respect of the subsidiarity and proportionality principles;
3. EMPHASISES that the review of the Europe 2020 Strategy should include a reference framework based on micro-economic targets which promote the competitive growth of Europe's industry by means of a policy based on the industrial value chain which also includes heavy industries;
4. RECOGNISES that industrial policy should contribute to addressing the major societal challenges mentioned in the Europe 2020 Strategy and should be integrated in the European Semester process so as to strike a balance between the macro-economic and micro-economic aspects of growth;

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<sup>1</sup> Doc. 5489/14.

<sup>2</sup> Doc. EUCO 7/1/14 REV 1.

5. AGREES with the need for the Growth and Jobs Pact to integrate an industrial policy framework in order to stimulate domestic demand and the competitiveness of Europe's manufacturing and service sectors, including small and medium-sized enterprises;
6. WELCOMES the European Council's call for industrial competitiveness to be systematically mainstreamed across all EU policy areas and be part of impact assessments with a view to creating a stronger industrial base for the EU economy. In this respect and in line with the strategic agenda that was agreed by the European Council in June 2014<sup>3</sup> and which called for bold steps to foster growth, increase investment, create more and better jobs, and encourage reforms for competitiveness, the Council CALLS UPON the Commission to focus its work programme for 2015 on initiatives that enhance competitiveness and innovation and do not create disproportionate costs for European businesses. Strengthened focus on these politically agreed priorities and proper impact assessments and stakeholder consultations should ensure that legislative proposals with undesirable effects from a subsidiarity and proportionality as well as a competitiveness, innovation and better regulation perspective are avoided;
7. WELCOMES the Commission's approach to industrial policy, which gives ample space to sectoral analyses, and ENCOURAGES further Commission initiatives in other industrial sectors such as space; BELIEVES that sector-specific analyses should be linked with Smart Specialisation, key enabling technologies and innovation promoting high-tech strategies with high added value;
8. CONSIDERS that secure, sustainable and affordable access to natural resources and raw materials both inside and outside EU territory is crucial for ensuring the competitiveness of European industry as well as for innovation and employment; CALLS ON the Commission to include access to natural resources and raw materials in the roadmap referred to above, as well as on Member States to take determined action to ensure such access;
9. CONSIDERS that the review of the Small Business Act should be an important step forward in terms of improving the governance of industrial policy and the actual implementation of the Act at European, national and regional level, which should be supported by adequate and innovative sources of finance, the availability of which should be coordinated;

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<sup>3</sup> Doc. EUCO 79/14.

10. ENCOURAGES the Union and the Member States to take action to improve coordination and synergies between their policies, and INVITES the Commission to put competitiveness and innovation at the heart of its working methods and future work programmes;
11. STRESSES the importance of systematically monitoring the competitiveness of European industry, the drivers of competitiveness and the lessons to be learned from this for policy-making, and INVITES the Commission to consider improving existing tools for monitoring competitiveness by synthesizing the results of existing studies and surveys concerning competitiveness, innovation and better regulation, enhancing the sector perspective in these studies, and including both cumulative cost assessments and the international dimension, so that the European Competitiveness Report will become an exercise parallel to the Annual Growth Survey;
12. EMPHASIZES the importance of making existing impact assessments more effective and giving a central position to the expected impact of different policies on competitiveness (operationalized as cost competitiveness, the capacity to innovate and international competitiveness) and of improving the possibility for stakeholders to contribute to all aspects of impact assessments while such assessments are being carried out, and to be able to comment on alternative options;
13. CALLS UPON Member States and stakeholders to take an active part in the ongoing consultation on the mid-term review of the Europe 2020 Strategy;
14. CALLS UPON Member States to match measures taken by the Union to strengthen industrial competitiveness at national level, in full respect of the principles of subsidiarity and proportionality;

15. CALLS FOR the Commission's roadmap to provide for the possibility of setting up stakeholder forums for industrial sectors, such as those set up already for the steel industry or for key enabling technologies, in order to assist in the restructuring of important sections of European industry. Forums with representatives of energy-intensive industries are particularly needed to discuss the much-needed reduction of energy prices for European industry, in particular through a more flexible approach to carbon leakage, a fully integrated internal energy market and an increase of energy efficiency and innovation through the use of clean technologies; CONSIDERS that the work of these forums could also be a valuable contribution to the work of the High Level Group on Competitiveness and Growth (hereafter: COMPCRO HLG) and the Council;
16. CALLS ON the Commission to ensure that the roadmap will reflect the mainstreaming of industrial policy across all relevant policy areas and that it will include guidelines to revitalise the international competitiveness of Europe's industry, add value to products and services, and safeguard the specific expertise of European industry, in particular of SMEs; to this end, CALLS ON the Commission to provide a regularly updated list of all EU proposals which are likely to have a significant impact on European industry, starting with those based on Articles 114 and 173 of the Treaty;
17. CALLS UPON Member States to put forward proposals for a structured work programme for the COMPCRO HLG that enables the Group to support the Council more consistently in monitoring and mainstreaming industrial competitiveness across all relevant EU policy initiatives; the work programme should be consistent with the new work programme of the Commission in the field of industrial policy and with the future roadmap for taking forward work on implementing the recent Commission Communication; the work programme should also clearly and unambiguously separate the remit of the COMPCRO HLG from the remit of other Council preparatory bodies such as the Permanent Representatives Committee;
- [18. UNDERTAKES to take without delay all decisions needed to set up the COMPCRO HLG, with a stable membership, an elected Chair and a multiannual work programme aligned with the new Commission work programme and the afore-mentioned roadmap.]