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From:	General Secretariat of the Council
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To:	Delegations

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Subject:	A competitive European industry driving our green, digital and resilient future
	- <i>Council conclusions (approved on 24 May 2024)</i>

Delegations will find in Annex the Council conclusions on “A competitive European industry driving our green, digital and resilient future” approved by the Council (Competitiveness) at its 4026th meeting held on 24 May 2024.

COUNCIL CONCLUSIONS ON**“A competitive European industry driving our green, digital and resilient future”**

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

- the European Council conclusions of 24 and 25 March 2022¹ calling for work to be taken forward on the implementation of the Versailles declaration on building a more open and robust economic base;
- the European Council conclusions of 23 March 2023² calling for work to be taken forward along nine work strands to boost the Union’s long-term competitiveness;
- the European Council conclusions of 26 and 27 October 2023³ on the EU’s competitiveness, emphasising that the EU needs a strong economic base that ensures its long-term competitiveness and a level playing field both internally and globally;
- the conclusions of the European Council at its special meeting on 17 and 18 April 2024⁴ calling for a new European competitiveness deal;

¹ EUCO 1/22
² EUCO 4/23
³ EUCO 14/23
⁴ EUCO 12/24

- the Council conclusions on knowledge valorisation⁵, on the future of EU Digital Policy⁶, on the future of the Single Market⁷, and on the European Court of Auditors' Special Report on public procurement in the EU⁸;

RECALLING the Commission's communications, reports and accompanying documents on:

- "A New Industrial Strategy for Europe"⁹ and its update¹⁰; "An SME Strategy for a sustainable and digital Europe"¹¹; "A Green Deal Industrial Plan for the Net-Zero Age"¹²; "European Economic Security Strategy"¹³; "SME Relief Package"¹⁴; "The Clean Transition Dialogues - stocktaking - A strong European industry for a sustainable Europe"¹⁵;
- "The Single Market at 30"¹⁶; "Long-term competitiveness of the EU: looking beyond 2030"¹⁷; "The 2024 Annual Single Market and Competitiveness Report"¹⁸;
- "Report on Competition Policy 2023"¹⁹;

⁵ Council conclusions on "Strengthening knowledge valorisation as a tool for a resilient and competitive industry and for strategic autonomy in an open economy in Europe", doc. 10182/24

⁶ Council conclusions on "The Future of EU Digital Policy", doc. 9957/24

⁷ Council conclusions on "A Single Market for the benefit of all", doc. 10298/24

⁸ Council conclusions on the European Court of Auditors' Special Report No. 28/2023: "Public Procurement in the EU: Less Competition for Contracts Awarded for Works, Goods, and Services in the 10 Years up to 2021", doc. 9966/24

⁹ COM(2020) 102 final

¹⁰ COM(2021) 350 final

¹¹ COM(2020) 103 final

¹² COM(2023) 62 final

¹³ JOIN(2023) 20 final

¹⁴ COM(2023) 535 final

¹⁵ COM(2024) 163 final

¹⁶ COM(2023) 162 final

¹⁷ COM(2023) 168 final

¹⁸ COM(2024) 77 final

¹⁹ COM(2024) 115 final

- “The European Green Deal”²⁰; “A new Circular Economy Action Plan For a cleaner and more competitive Europe”²¹; “EU Climate Action Progress Report 2023”²²; “Europe's 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society”²³; “Managing climate risks - protecting people and prosperity”²⁴;
- “2030 Digital Compass”²⁵ followed up by the “Digital Decade Policy Programme 2030”²⁶;
- “European Skills Agenda for sustainable competitiveness, social fairness and resilience”²⁷;
- “Trade Policy Review - An Open, Sustainable and Assertive Trade Policy”²⁸;
- “An EU Strategy on Standardisation - Setting global standards in support of a resilient, green and digital EU Single Market”²⁹;

RECALLING:

- the Chips Act³⁰, the Critical Raw Materials Act³¹ and the Net-Zero Industry Act³²;
- the Strategic Technologies for Europe Platform³³,

²⁰ COM(2019) 640 final

²¹ COM(2020) 98 final

²² COM(2023) 653 final

²³ COM(2024) 63 final

²⁴ COM(2024) 91 final

²⁵ COM(2021) 118 final

²⁶ Decision (EU) 2022/2481

²⁷ COM(2020) 274 final

²⁸ COM(2021) 66 final

²⁹ COM(2022) 31 final

³⁰ Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe’s semiconductor ecosystem and amending Regulation (EU) 2021/694

³¹ Regulation (EU) 2024/1252 of the European Parliament and of the Council of 11 April 2024 establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1724 and (EU) 2019/1020

³² PE-CONS 45/24

³³ Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241

I. The European Union, home to a strong and competitive industry

1. **ACKNOWLEDGES** that the significant technological, economic, and geopolitical shifts that have taken place over the recent years, as well as the environmental and societal challenges, not only redefine the global balances of power, but also impact the competitiveness of all European industries; **HIGHLIGHTS** that monitoring and anticipating supply chain risks and addressing strategic dependencies is vital for the EU to advance its own green and digital transition; **UNDERLINES** that policy developments in third countries, which at times have been characterised by unfair competition and protectionism, are affecting the European economy, including by distorting trade and by potentially encouraging delocalisation and disinvestment decisions, and therefore demand a coordinated European policy response;
2. **STRESSES** that a prosperous Europe needs a competitive industry with a strong manufacturing base, which is the engine for innovation, productivity, quality jobs, sustainability and growth; **UNDERLINES** that a fully functioning Single Market, including in the services sector, is key in fostering and maintaining a competitive Union as “business location Europe” in the long term;
3. **HIGHLIGHTS** that rising global competition and crises such as the COVID-19 pandemic, the Russian war of aggression against Ukraine and the tensions in the Red Sea have strained European businesses and their supply chains; **RECOGNISES** the long-term detrimental economic consequences of high energy prices on the EU’s competitiveness; **UNDERLINES** that at the same time the ambitious objectives towards climate neutrality and digital leadership, combined with climate adaptation measures, an accelerated development, production and deployment of clean technologies and the consequent industrial transformation, offer opportunities for further developing European industrial leadership and creating quality jobs;

4. **ACKNOWLEDGES** that digital technologies and innovation developments are playing a crucial role in the European society and industry; **STRESSES**, in this regard, the increasing importance of cyber security and **NOTES** the fast development and deployment of generative AI solutions as well as the emerging potential of quantum technologies; **UNDERLINES** that a secure submarine, terrestrial and non-terrestrial (including space) infrastructure for digital connectivity and increased capacity and resilience of digital backbone infrastructures are paramount for Europe to become and remain digitally resilient and competitive; **TAKES NOTE** of the Commission's White Paper on how to master Europe's digital infrastructure needs; **UNDERLINES** the importance of innovation and development of new digital services, digital technologies and business models in a trusted environment; therefore **CALLS ON** the Commission and the Member States to further stimulate their development and deployment by industry and its ecosystems and deliver on the Digital Decade Policy Programme 2030; **URGES** the Commission to ensure effective and timely implementation of existing initiatives in the area of data, including by assisting Member States in implementing these initiatives;
5. **STRESSES** the importance of the European Green Deal and its coherent implementation, taking into account opportunities and challenges for companies and citizens; **CALLS ON** the private sector to team up with public authorities to reinforce investments in energy efficiency and sustainable transportation; **STRESSES** the need to create favourable conditions for demand for sustainable, net zero, low carbon and circular products and materials, develop a single market for waste, secondary raw materials and recycled products, promote advanced materials and circularity, and strive for a level playing field for companies pursuing high environmental and social ambitions; **RECALLS** the major role of circular economy, sustainable resources management and research on the substitution of raw materials to reduce demand and enhance EU resilience regarding primary raw materials, sustainable feedstock, water and other critical resources; **URGES** the Commission to finalise the update of the bioeconomy strategy by the end of 2025, to ensure that the bioeconomy contributes substantially to the green transition of the economy, to recognise biotechnology and the bio-based economy horizontally as an elementary part of the EU's industrial policy, and to ensure coordination in order to enhance policy coherence;

6. **HIGHLIGHTS** the potential of public procurement as a strategic lever to foster demand for goods and services that contribute to sustainability, digitalization and resilience, and to promote investments; **CALLS ON** the Commission to undertake, without delay, an in-depth analysis of the existing legislative framework on public procurement to assess whether a revision is necessary during the 2024-2029 term, as requested in the Council Conclusions on the European Court of Auditors' Special Report No 28/2023;
7. **TAKES NOTE** of the Commission's recent initiatives on advanced materials for industrial leadership³⁴, defence industry³⁵, and biotechnologies and biomanufacturing³⁶; **CALLS ON** the Commission to develop a new strategy that supports the European maritime industry, which is vital for the EU's strategic interests, in the digital and green transition and that encompasses all the dimensions of the sector's competitiveness; **UNDERLINES** that, in addition to recent Commission initiatives, priority should be given to excelling in our unique strengths and to taking the lead in technology areas where Europe needs to secure a key position and that are critical for the EU's economic security; **RECALLS** the conclusions of the European Council of 17 and 18 April 2024 stating that Europe also needs to reduce its strategic dependencies in sensitive sectors identified in Versailles - energy, critical raw materials, semiconductors, health, digital, food and critical technologies - and in other sectors such as chemicals, biotechnology and space; **STRESSES** that Europe's position in these areas and sectors should be strengthened, including by developing sustainable European supply chains, increasing European capacity in production and in research and innovation and diversifying supplies from third countries, while ensuring positive spill-over effects across Member States;

³⁴ COM(2024) 98 final
³⁵ JOIN(2024) 10 final
³⁶ COM(2024) 137 final

8. **ACKNOWLEDGES** the importance of a well-functioning simplified governance structure that brings stakeholders in industrial ecosystems together in order to facilitate the implementation of the European industrial strategy in an open, transparent, diverse and inclusive way and contribute to policy-making; **RECALLS** the central role of the Industrial Forum in contributing to shaping and implementing EU industrial policy together with the industry, the Member States, civil society and the Commission; **ENCOURAGES** the Commission to undertake appropriate initiatives, including a thorough assessment of the existing governance landscape, with a view to streamlining the structures, reducing unnecessary burden on stakeholders and Member States, and avoiding duplication;
9. **HIGHLIGHTS** the role given by the European Council of 23 March 2023 to the Competitiveness Council to annually assess the progress on enhancing competitiveness and increasing productivity, with a particular focus on deepening and strengthening the Single Market; **TAKES NOTE** of the 2024 Annual Single Market and Competitiveness Report, which provides the basis for the annual cycle of Council discussions on the state of competitiveness and input for the European Semester; **EMPHASISES** the need for action at EU and Member State level to meet the targets set for the Key Performance Indicators (KPIs) on competitiveness in the Commission's Communication on Long-term Competitiveness; **HIGHLIGHTS** the possibility for the Commission to revise, where necessary, existing KPIs and to consider, where appropriate, additional indicators, for example on industrial policy or State aid; **CONSIDERS** that the new policy cycle offers the opportunity to strengthen the mandate of the Competitiveness Council to ensure coordinated implementation and monitoring of an ambitious industrial policy agenda, supported by the work of the High Level Group on Competitiveness and Growth;

II. Innovation, the driving force for European competitiveness

10. **ACKNOWLEDGES** the crucial role of world-leading industrial innovation, excellent research, including fundamental research, and technology development to strengthen Europe's scientific and technological bases by achieving a European research area and driving European competitiveness, resilience and sustainability and to achieve the Union's policy ambitions; **ENCOURAGES** cooperation between industry (including SMEs), research and technology organisations, higher education institutions, funding agencies and relevant public authorities to boost innovation and accelerate market uptake, as well as industrial and commercial scale up of innovation;
11. **STRESSES** the need to ensure a better connection between innovation and industrial initiatives, building on the New European Innovation Agenda; **HIGHLIGHTS** in that regard the importance of defining a limited number of strategic priorities and ensuring that these are a common thread through industrial and innovation policies; **CALLS ON** the Commission to involve all Member States and a wide range of relevant actors in a joint exercise to identify strategic priorities; **UNDERLINES** the importance of drawing on existing mechanisms and partnerships, such as industrial alliances, the European Innovation Council, the SET Plan Steering Group, European Technology Platforms, Joint Undertakings and other Horizon Europe partnerships;
12. **REGRETS** that the EU's strong knowledge base does not sufficiently translate into marketable products or services, also known as the "innovation paradox", leading to substantial untapped potential in the industrial value chains across the Union; **ENCOURAGES** the Commission and Member States as well as the financial sector to continue fostering valorisation in order to make investments in research and development pay off and thus strengthen the competitiveness of European industry, especially SMEs;

13. **ACKNOWLEDGES** the important role the EU can play to help bridge the gap that prevents research results and innovations from reaching the market at an early stage; **UNDERLINES** the need for increased synergies between and an optimisation of existing funding instruments at all levels, supporting the translation of discoveries into innovative market products by industry and enabling the diffusion and deployment of innovations and technologies; **REFERS** in this regard to the European Research Area policy action “Accelerating the green and digital transition of Europe’s key industrial ecosystem”; **URGES** the Commission to continue communicating clear and accessible information on the various EU supported funding possibilities from both private and public actors; **ENCOURAGES** the Commission to continue improving and simplifying application procedures for EU funding possibilities;
14. **HIGHLIGHTS** the need for companies, especially SMEs and start-ups, to be able to test and demonstrate innovations in relevant real-world settings and, where appropriate, in regulatory sandboxes, in order to transfer innovation to the market; **STRESSES** in this regard the important role of research and technology infrastructures in that process; **RECALLS** the requested EU mapping of users’ needs for technology infrastructures by mid-2025 and work done in the remit of the European Strategy Forum on Research Infrastructures (ESFRI); **CALLS FOR** a European strategy to foster EU-wide cooperation and networking among such infrastructures and that foresees access in a transparent and low-threshold way and at a fair price for industrial companies, in particular SMEs; **UNDERLINES** the importance of building such a pan-European network on the principle of smart specialization; **HIGHLIGHTS** in this context the potential offered by the clusters, Enterprise Europe Network (EEN), Interregional Innovation Investments (I3) and European Digital Innovation Hubs (EDIH) in supporting the European SMEs in their economic, green and digital transformation;

III. Finance: an essential building block of a comprehensive, future-oriented and proactive European industrial policy framework

15. **RECALLS** that access to finance, including blended finance, is a precondition for retaining investment and jobs in Europe; **RECOGNISES** that private funding plays a vital role in achieving the Union's goals of reinforcing the global competitiveness and resilience of the Union, including via the development of strategic technologies and their scaling up; **ACKNOWLEDGES** the key role of the European Investment Bank Group and of national promotional banks in leveraging and de-risking private investments; **UNDERLINES** that deepening the Capital Markets Union (CMU) is key to attracting private investment, diversifying funding sources and allocating capital efficiently across the Union; **POINTS OUT** that European businesses, especially start-ups, scale-ups and SMEs, still face a range of hurdles in securing long-term and venture funding; therefore **URGES** to intensify the efforts both at EU and national level to create truly integrated European capital markets, including by building on the Capital Markets Union Action Plan of 2020, and to swiftly implement all the measures outlined in the statement of the Eurogroup in inclusive format on the future of the Capital Markets Union of 11 March 2024;
16. **REITERATES** that a fair and effective competition policy, safeguarding competition on markets, has proven to be crucial for economic prosperity within the Union by preserving and improving the integrity and level playing field in the Single Market; **UNDERLINES** the importance to continue on this path; **STRESSES** that a subsidy race among Member States would be harmful for the Union as a whole and should therefore be avoided;
17. **UNDERLINES** that the European State aid framework should be consistently applied and adequately monitored by the Commission, in order to safeguard the level playing field and to avoid any risk of fragmentation; **ENCOURAGES** the Commission to simplify and accelerate State aid notification procedures;

18. **URGES** the Commission to continue its efforts on evaluating and improving the State aid instruments such as the General Block Exemption Regulation to address market failures, new challenges and realities of the markets and innovation to provide a targeted state-of-the-art framework and long-term clarity and predictability in the market, in line with the EU priorities while maintaining the level playing field;
19. **CONSIDERS** the Important Projects of Common European Interest (IPCEIs) to be a valuable instrument for European industrial policy that enables Member States to intervene in cases of important market failure and foster innovative projects beyond individual capacities; **STRESSES** the need for a continued optimisation of the IPCEI framework to further streamline and accelerate the entire process and make it easier for companies of all sizes, especially SMEs and mid-caps, to participate in IPCEIs; **CALLS FOR** further simplification of the governance system for IPCEIs, earlier involvement of the Commission in the preparatory phase and inclusive participation of Member States and stakeholders, including SMEs; **WELCOMES** in that context the launch of the Joint European Forum for IPCEI to further address challenges related to IPCEIs and realise the instrument's full potential including by exploring new candidate IPCEIs in strategic areas;

20. **NOTES** that the green and digital transition will require significant investments and that all available financing sources will have a role to play; **UNDERLINES** the importance of ensuring a level playing field within the Single Market and promoting it globally; **EMPHASISES** that investments in key strategic sectors and infrastructures require a combination of both public and private financing working together and that the EU budget continues to play an important role, as stated by the European Council at its special meeting on 17 and 18 April 2024; **URGES** the Commission and the Member States to swiftly implement the Regulation establishing the Strategic Technologies for Europe Platform, which will foster synergies between European funding instruments; **UNDERLINES** that Cohesion Policy has a key role in reducing disparities, stimulating long-term sustainable growth and supporting a fair green and digital transition; **CALLS ON** the Commission, without pre-empting the next Multiannual Financial Framework, to evaluate and, if necessary, improve existing European funding mechanisms, to explore structural ways to increase private investment in strategic technologies and in scaling up industrial capacities, and then assess whether the financing toolbox for industry is effective to reach the Union's common goals in a timely manner; **RECALLS** the role that the InvestEU programme plays in this context;

IV. The right framework conditions to ensure a competitive European industry

21. **HIGHLIGHTS** the importance of a favourable environment in which businesses, in particular SMEs, can thrive, prosper and scale up, which is conducive to entrepreneurship, attracts investment, fosters innovation and contributes to the competitiveness of the Union and its 14 industrial ecosystems such as energy-intensive industries and mobility - transport - automotive;
22. **EMPHASISES** that a further strengthening and deepening of the Single Market is a crucial prerequisite to ensure that the Union remains resilient and competitive; **RECALLS** that effectively enforcing the rules of the Single Market is essential to maintain the level playing field that European businesses need and to further advance the Single Market integration; **CALLS ON** Member States and the Commission to reinforce their efforts and intensify their actions to remove unjustified barriers which hamper the ability of EU companies to scale up and become more competitive at European and international level;

23. **RECOGNISES** that legal certainty and a coherent, predictable, future-proof and accessible regulatory framework are vital to foster investment and safeguard our competitiveness, while environmental and social standards in Union legislation should be upheld; **UNDERLINES** in this regard the importance of streamlining permitting procedures for projects that contribute to the goals of the green and digital transition, including enhancing manufacturing capacity; **STRESSES** the importance of pursuing the Better Regulation agenda with the aim of preserving the integrity of the Single Market by properly implementing EU rules, avoiding regulatory duplication and fragmentation, as well as cutting red tape at EU and Member State level, in particular for SMEs, including by tools such as the Single Digital Gateway; **SUPPORTS** in that regard the Commission's commitment to reduce the burden related to reporting requirements resulting from EU legislation by 25% for companies and administrations, in line with the strategy to boost the EU's long-term competitiveness, and to carry out competitiveness checks in impact assessments for new legislative proposals, including on their cumulative effects; **TAKES NOTE** of the idea of the European Economic and Social Committee of introducing an 'Innovation Stress Test' for new EU legislation and **ASKS** the Commission to explore its possible implementation through the current Better Regulation tools;
24. **HIGHLIGHTS** that security, sustainability and affordability of the energy supply, through a well-integrated European energy market and cross-border infrastructures and grids, are vitally important to industry and its competitiveness, and that European energy policy contributes to the single energy market and the ambition of the European Green Deal to achieve climate neutrality at the latest by 2050; **RECOGNISES** the role of the internal energy market in incentivising investments in energy systems, energy efficiency, flexibility, and increased electrification of the economy; **POINTS OUT** that the right policy framework should now be fully implemented in the energy sector to ensure legal certainty and fast market development, to avoid delays in strategic investments and the creation of stranded assets;

25. **POINTS OUT** that for the success of the green and digital transition and in the context of wider demographic trends, the required competences and skills should be sufficiently available at all levels, while fostering gender balance in terms of graduates and professions in the ICT or STEM fields; **EMPHASISES** that action in this area requires investments, social dialogue and strengthened cooperation between all relevant stakeholders, in the fields of formal education, vocational education and training and work-based learning; **NOTES** that a diverse range of skills can also be acquired through life-long learning in all its forms; **CALLS FOR** a greater recognition and validation of non-formal learning, competences and skills; **STRESSES** the need to recognise skills and qualifications within the EU, in a way that allows for inter-operability, including those of third country nationals; **STRIVES FOR** the attraction, retention and harnessing of talent within our Union, with a specific attention to regions currently in a talent development trap; **UNDERLINES** that skills intelligence and foresight are essential tools to anticipate future skills needs in the labour market;
26. **EMPHASISES** the importance of pursuing an ambitious, robust, open and sustainable trade policy that allows fair trade agreements, opens third-country markets to EU companies, defends EU interests, allows resilient and reliable supply chains to develop, guarantees a true level playing field and creates reciprocal market access opportunities; **STRESSES** that, in this context, the EU should reduce high-risk strategic dependencies, promote social and environmental standards, facilitate the diversification of trade flows, eliminate trade barriers and enhance the competitiveness of European businesses both domestically and externally, in particular through initiatives such as free trade agreements, international partnerships and the Global Gateway; **POINTS OUT** that the EU's industrial competitiveness gains from trade policy as it creates mutual benefits for industrial sectors, ensuring market access for goods, services and public procurement, and enhances protection of intellectual property rights; **HIGHLIGHTS** the need to use, where appropriate, the full range of policy tools, such as trade defence instruments, to safeguard the EU market and the level playing field against unfair competition and practices from third countries, notably in strategic sectors or those subject to overcapacity; **UNDERLINES** the need to strengthen the multilateral, open and rules-based trading system with the WTO at its core and its role in tackling trade-distorting non-market practices, such as harmful industrial subsidies;

27. **HIGHLIGHTS** the role that technical standards play in the competitiveness, technological leadership and supply chain security of the European economy; **NOTES** that the green and digital transition implies standardisation needs that have to be addressed with urgency; **STRESSES** that the Commission, Member States, economic operators, civil society and standard-setting organisations should reinforce their capacity to set and influence international standards; **EMPHASISES** the importance of supporting greater participation of the EU business community in the development of standards at the international level; **ASKS** the Commission to continue efforts to issue standardisation requests in a timely manner, involving all interested parties in an open and coherent way and to ensure the timely citation of standards; **ENCOURAGES** the standard-development organisations to produce high-quality standards in a timely manner, involving all interested parties; **INVITES** the Commission and Member States to develop a horizontal approach to incorporate the development of standards into research and innovation in order to accelerate market deployment and contribute to EU leadership in standardisation;
28. **RECALLS** that intellectual property rights, and patents in particular, are the ‘currency’ of our knowledge economy; **HIGHLIGHTS** that the protection and valorisation of knowledge and intellectual property rights and trade secrets are an essential factor for industries, and in particular SMEs, to attract investment, to generate value and to increase their competitiveness; therefore **CALLS UPON** relevant EU institutions, agencies and financial community to further work on the valorisation of intellectual property rights as lever for SMEs and start-ups to scale up in the Single Market and beyond;

V. Joint future action

29. **CALLS FOR** a comprehensive, future-oriented and proactive European industrial policy framework that is aligned with the overarching long-term policy priorities of the Union, including the transition to climate neutrality, that offers our industry greater predictability and that is equipped with an appropriate toolbox to attract, scale up and maintain businesses within the Union's borders, and that fosters high-quality jobs throughout Europe, by stepping up the pursuit of the 2030 headline targets, through reinforced social dialogue; **STRIVES FOR** an ambitious European industrial policy framework as the primary driver to secure the economic strength underpinning the 'promote pillar' of the European Economic Security Strategy; **EMPHASISES** the need to aim at a more horizontal approach to EU industrial policy and a rationalization of sector-specific initiatives; **POINTS OUT** that this requires a holistic approach and shared efforts, cooperation and ownership of the EU institutions, the Member States, including the regional level and the active role of the industrial ecosystem itself; **URGES** the Commission to make industrial policy and the boosting of European competitiveness an integral part of its agenda for the next legislative mandate, thereby working towards a new European competitiveness deal as called for in the conclusions of the **European Council** of 17 and 18 April 2024, and building on the European Green Deal as driver for growth, innovation and investment;
30. **TAKES NOTE** of Enrico Letta's 'Much More than a Market' High-Level Report and **INVITES** the Commission and the Member States to examine the recommendations relevant for industrial policy; **LOOKS FORWARD** to the forthcoming report by Mario Draghi on the future of European competitiveness and in particular its aspects related to industrial policy;

31. **UNDERScores** that the future European industrial policy framework should be based on evidence-based tools, metrics, market-based principles, core economic forecasts and findings, which integrate the latest economic results in industrial policy analysis as well as environmental, sustainability, resilience and social factors into its baseline models, and which identify potential strategic future growth markets; **REFERS** to the importance of the Commission’s annual reports and scoreboard on the Single Market and competitiveness, analysis of strategic dependencies, foresight studies, quantitative analyses and risk assessments in this regard; **STRESSES** the importance of monitoring the implementation, application and impact of adopted legislation, as well as the conducting of high-quality, timely and thorough ex-ante impact assessments for future legislative initiatives in order to comply with the principles of Better Regulation; **URGES** the Commission and the co-legislators to systematically apply the “think small first” principle when initiating new legislation, since SMEs represent 99% of businesses in Europe and account for more than 50% of the Union’s GDP, and to take into account the specificities of European regions that experience geographic, natural or demographic challenges;
32. **UNDERLINES** that the EU Industrial Strategy of 2020, its update of 2021, the Green Deal Industrial Plan and the Digital Decade Policy Programme remain the policy foundations for European industries to lead the way in the green and digital transition and for the Union to improve its resilience in key areas; **STRESSES** the need to ensure the proper and timely implementation of recent legislative initiatives, in particular the Chips Act, the Critical Raw Materials Act and the Net-Zero Industry Act; **CONFIRMS** the relevance of the 14 industrial ecosystems identified in the EU Industrial Strategy and their transition pathways for which important steps have been taken, with the Transition Pathway for Tourism as the first of the series, and for which the work needs to be continued; **TAKES NOTE** of the recent Clean Transition Dialogues with industry and social partners, and the resulting stocktaking exercise of the Commission; **CALLS ON** the Commission to continue assessing, in close cooperation with stakeholders, the needs and challenges the industrial ecosystems face, monitor their economic development and competitiveness and analyse their integration in the Single Market.
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