# Procedure file

Basic information				
COS - Procedure on a strategy paper (historic)	1994/2127(COS)	Procedure completed		
An industrial competitiveness policy for the European Union				
Subject 3.40.14 Industrial competitiveness				

Key players			
European Parliament	Committee responsible  Econ Economic and Monetary Affairs, Industrial Policy	Rapporteur	Appointed 29/09/1994
		PSE RAPKAY Bernhard	
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets		16/01/1995
		ELDR BRINKHORST Laurens	
	ENER Research, Technological Development and Energy	PPE CHICHESTER Giles	02/02/1995
Council of the European Union	Council configuration	Meeting	Date
	Industry	1843	07/04/1995

Key events			
14/09/1994	Non-legislative basic document published	COM(1994)0319	Summary
30/11/1994	Committee referral announced in Parliament		
07/04/1995	Debate in Council	1843	Summary
24/05/1995	Vote in committee		Summary
24/05/1995	Committee report tabled for plenary	A4-0123/1995	
27/06/1995	Debate in Parliament	10	
29/06/1995	Decision by Parliament	T4-0327/1995	Summary
29/06/1995	End of procedure in Parliament		
17/07/1995	Final act published in Official Journal		

Procedure reference	1994/2127(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/05961

#### Documentation gateway

Non-legislative basic document	COM(1994)0319	14/09/1994	EC	Summary
Committee of the Regions: opinion	<u>CDR0140/1995</u> OJ C 100 02.04.1996, p. 0014	21/04/1995	CofR	Summary
Committee report tabled for plenary, single reading	<u>A4-0123/1995</u> OJ C 166 03.07.1995, p. 0003	24/05/1995	EP	
Text adopted by Parliament, single reading	T4-0327/1995 OJ C 183 17.07.1995, p. 0017-0026	29/06/1995	EP	Summary

#### An industrial competitiveness policy for the European Union

This communication contains an action programme to implement the objectives set out in the White Paper on "Growth, competitiveness, employment", which recommends an approach to industrial development based on the quest for global competitiveness. The Commission stresses that European industry has improved its competitiveness considerably over recent years, both in commercial terms and in areas such as research and the financial structure of enterprises. However, it considers that this objective should be pursued more vigorously in order to create and attract new jobs in Europe. The Commission proposes that all parties concerned act in a concerted manner so as to guarantee fast results from all the initiatives, which are based on the following four guidelines: 1) Promotion of investment in intangible assets: The Commission will give increased priority to investments in intangible assets (improved vocational training, promotion of human resources, greater attention to market requirements in research policy, development of intellectual property). 2) Development of industrial cooperation: The Commission intends to take the measures needed in order to facilitate industrial cooperation and give enterprises access to information and assistance, support the organization of "industrial round tables", propose the development of support mechanisms and technical expertise in order to assist operations of interest to the Community and present proposals on industrial cooperation with certain Union partners such as the countries of eastern Europe, Latin America, the Mediterranean basin and certain countries of Asia. 3) Strengthening competition: The Commission intends to strengthen the policy to reduce state aid (taking account of regional imbalances), re-examine the criteria for evaluating aid and simplify the rules, improve the coherence between the rules applicable to state aid and non-structural Community financing instruments, resolve the problems pending at the end of the Uruguay Round, combat fraud, especially concerning the origin of products, present proposals for developing international competition rules, set up a database on the obstacles to the smooth operation of the market and an "Industrial Assessment Mechanism" to identify industrial problems encountered on third markets, continue to improve the structure of the common customs tariff, examine the possibility of applying trade policy instruments to services and coordinating export promotion systems, actively continue eliminating distortions of internal and international competition. 4) Modernization of the industrial role of the public authorities: The Commission intends to support the work of the group on administrative simplification and continue efforts to streamline procedures by improving their transparency, examine the potential for eliminating legislative, administrative and regulatory disparities causing enterprises problems, examine the possibility of using Community instruments (Structural Funds) to facilitate the development of competitive industrial activities in the Union on the basis of regional specificities, encourage administrative cooperation between the Member States and the Commission and examine how decision-making structures can be improved.?

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1. Further to its Resolution of 21 November 1994, the Council examined: - the Commission communication on the work programme and timetable for implementing the initiatives announced in the Commission communication on an industrial competitiveness policy for the European Union; - the report on the implementation of Council Resolutions and conclusions on industrial policy. 2. The Council welcomes the follow-up to its work on industrial policy in most areas and the implementation of a number of operational national programmes in the context of the structural funds and associated Community initiatives, aimed at enhancing industrial competitiveness. At the same time it stresses the importance of an integrated approach that could speed up the implementation of earlier Resolutions and conclusions, whether on industrial competitiveness in general, on SMEs or on particular sectors. 3. The Council notes with interest the programme of action presented by the Commission following its Resolution of 21 November 1994 and its communication on an industrial competitiveness policy for the European Union and the proposal for a decision implementing that programme. 4. The Council notes with interest that this Commission action covers the following points in particular:(i) Promotion of intangible investment: Bearing in mind the growing complementarity of tangible and intangible investment, emphasis to be placed on the following approaches: - Stepping-up of research by: = seeking to take fuller account of the needs of the market in RTD policy, inter alia in information society-related applications; = modernising approaches in order to produce more effective industrial spin--offs from research; = facilitating the establishment of consortia of European companies, without infringing competition rules. - Looking at the creation of a legal environment conducive to research, taking into account - amongst other aspects of the international context -

the entry into force of the new rules resulting from the Uruguay Round. - Drive to promote guality that is in keeping with the European Union?s approach on standardisation and is mindful of the powers of the Member States. - Fuller integration of vocational training schemes into other policies. (ii) Industrial cooperation: - Organisation of industrial round tables, particularly involving countries with which the Community traditionally maintains close relations for historical and cultural reasons. - Promotion of industrial cooperation by the creation of a database listing opportunities for cooperation. - Support for industrial cooperation projects of Community interest through the implementation and utilisation of existing Community instruments. (iii) Competition without distortion on foreign markets and on the internal market: - Establishment of a database and presentation of an annual report on obstacles to the smooth operation of foreign markets, incorporating in particular the results of the centralised information body on electronics and information and communication technologies; on the basis of that information, in particular that provided by the abovementioned body?s initial results, formulation and implementation of specific measures to remove those obstacles, and extension of that approach to other industrial activities. - Preparation, in due course, of a dialogue with the Member States on commercial policy instruments. - Early examination and, if appropriate, improvement of the mechanism for monitoring aid. (iv) Modernisation of the industrial role of public authorities: - Examination of the possibility of streamlining procedures and increasing transparency, further to the analysis of the impact of Community and national regulations on competitiveness and employment carried out by the Group of independent experts on legislative and administrative simplification (Molitor Group). - Use of the contributions made by the consultative group on competitiveness, in particular its reports to the European Council. 5. The Council asks the Permanent Representatives Committee to begin examining the proposal for a decision implementing the programme of action to strengthen the competitiveness of European industry as soon as the European Parliament?s opinion has been received. The Council calls upon the Commission to associate the Working Party of Heads of Industrial Policy Departments in the implementation of the relevant measures under the programme and to report back in 1996 on progress and on any adjustments to the programme of action for subsequent years.

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The Committee of the Regions called on the Commission to prepare an operational implementation programme that considered industrial competitiveness within the context of the sustainable development model proposed in the White Paper on Growth, Competitiveness and Employment. It pointed out that this was all the more necessary since companies - especially SMEs - were particularly involved in regional and local affairs. Regional and local authorities were especially interested in this policy as it was a key element in the successful long-term development of local and regional economies.

# An industrial competitiveness policy for the European Union

The committee adopted the report by Mr Bernhard RAPKAY (PSE, D) on the Commission communication concerning an industrial competitiveness policy for the EU. However, amendments were adopted in relation to several points which substantially amended the report by Mr RAPKAY. In particular, the text of paragraph 1 welcomed the fact that the Commission recognised the need for "modernisation of the public sector, simplification of administrative rules - for the benefit in particular of small and medium-sized enterprises - and the creation of a favourable context by safeguarding competition". The original text stipulated that "the responsibilities of the public authorities should be extended to include the implementation of active industrial policy measures, as opposed to traditional practices consisting purely of creating a favourable context by safeguarding competition". Similarly, in paragraph 7, with regard to the development of an employment-intensive growth structure, the phrase "through the creation of a favourable context for employment-intensive service activities" was removed. Finally, in paragraph 10, it was stipulated that the task of any modern industrial policy was to "create wealth for society, which could be promoted by social dialogue", whilst the rapporteur's text stated that such a policy "required and should promote social dialogue". ?

# An industrial competitiveness policy for the European Union

In adopting the report by Mr Bernard Rapkay (PSE, D), the European Parliament approved the Commission's guidelines on industrial competitiveness, although it considered that several aspects should be given greater consideration: sustainable development, social dialogue, worker participation, making full use of the ability of SMEs, research, vocational training, the information society, the modernisation of the public authorities. The report called on the Member States to conduct an active employment market policy and stressed the importance of promoting sustainable development by encouraging integrated environmental technologies. It recommended a form of competitiveness that was responsible on both a social and an ecological level, an innovative policy in the area of work and production methods and responsibility for the public authorities in terms of creating an appropriate framework for competitiveness.?