



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 29 November 2011**

**17851/11**

**COMPET 569  
IND 157  
MI 620  
REGIO 141**

**REPORT**

---

From:	Permanent Representatives Committee, Part 1
To:	Council (Competitiveness)
No. prev. doc.:	17042/11 COMPET 519 IND 144 MI 578REGIO 127
Subject:	- Industrial policy flagship initiative – reinforcing implementation of industrial policy across the EU - Adoption of Council conclusions

---

1. On 28 October 2011, the Presidency presented draft Council conclusions on the industrial policy flagship initiative – reinforcing implementation of industrial policy across the EU to the Working Party on Competitiveness and Growth.
2. The Working Party on Competitiveness and Growth discussed these draft conclusions on 28 October, 15 and 22 November 2011 and reached a significant degree of agreement on the text. The Permanent Representatives Committee reached full agreement on it on 25 November.
3. The Permanent Representatives Committee recommends to the Council (Competitiveness) meeting on 5 December 2011 to adopt the conclusions as set out in the Annex to the present Report.

**Draft Council conclusions on the industrial policy flagship initiative  
- reinforcing implementation of industrial policy across the EU**

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

- The conclusions of the European Council of 23 October 2011<sup>1</sup>, which identified a number of key priorities for economic policy that need to be pursued in order to achieve smart, sustainable, inclusive and green growth and its commitment to work with the Commission to ensure that all actions at the European Union level fully support economic growth and job creation;
- The Communications from the Commission "An Integrated Industrial Policy for the Globalisation Era: Putting Competitiveness and Sustainability at Centre Stage"<sup>2</sup>, "Industrial Policy: Reinforcing competitiveness"<sup>3</sup>, "A renewed EU strategy 2011-2014 for Corporate Social Responsibility"<sup>4</sup>, "Social Business Initiative"<sup>5</sup> and "Small Business, Big World - a new partnership to help SMEs seize global opportunities"<sup>6</sup>;
- The Council conclusions on an integrated industrial policy for the globalisation era<sup>7</sup>, the Council conclusions on the Review of the "Small Business Act" for Europe<sup>8</sup> and the Council conclusions on a competitive European economy: Industrial competitiveness in the light of resource efficiency<sup>9</sup>, which aim at addressing major challenges for industry;

---

<sup>1</sup> Doc. EUCO 52/11 of 23 October 2011.

<sup>2</sup> Doc. 15483/10 of 28 October 2010.

<sup>3</sup> Doc. 15587/11 of 14 October 2011.

<sup>4</sup> Doc. 16606/11 of 9 November 2011.

<sup>5</sup> Doc. 16628/11 of 9 November 2011.

<sup>6</sup> Doc. 16764/11 of 11 November 2011.

<sup>7</sup> Doc. 17838/10 of 13 December 2010.

<sup>8</sup> Doc. 10975/11 of 31 May 2011.

<sup>9</sup> Doc.14874/11 of 29 September 2011.

- The ‘standardisation package’ comprising the Communication from the Commission “A strategic vision for European standards: Moving forward to enhance and accelerate the sustainable growth of the European economy by 2020”<sup>10</sup> and the proposal for a Regulation of the European Parliament and of the Council on European Standardisation and amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC of the European Parliament and of the Council<sup>11</sup>.

## **I. *Towards greater competitiveness of Europe’s industry***

1. WELCOMES the Communication from the Commission "Industrial Policy: Reinforcing competitiveness" that emphasises the importance of competitive enterprises and industry value chains as the main drivers of strong economic growth and identifies issues to be addressed with a view to making progress towards the Europe 2020 goals;
2. UNDERLINES the importance of re-establishing confidence of entrepreneurs and consumers, as well as of further strengthening the internal market in order to restore the growth path of the EU economy;
3. EMPHASISES that a strong, innovative, diversified and modern industrial base provides a foundation for sustainable economic growth and job creation in the EU; a dynamic and competitive European industry, especially when combined with a competitive services sector, can not only effectively compete globally, but also provide solutions to other challenges that the EU faces; STRESSES, therefore, that the actions leading towards Europe 2020 goals should be supported by an effective industrial policy that facilitates access to knowledge and enhances resource efficiency;

---

<sup>10</sup> Doc. 11471/11 of 10 June 2011.

<sup>11</sup> Doc. 14783/11 of 28 September 2011.

4. WELCOMES the intention of the Commission to help strengthen the coordination of Member States' industrial policies, where appropriate, by promoting and monitoring growth-enhancing structural economic policy improvements, so as to achieve the goals of the Europe 2020 strategy and WELCOMES the Commission's plan to provide a forum for identifying and discussing good practices by the first quarter of 2012, if possible with the use of existing structures, and SUPPORTS empowering of the European SME Envoy network to promote the implementation of the SBA;
5. HIGHLIGHTS the need to respond to the opportunities and challenges of globalisation by combining all possible instruments and measures of EU industrial policy (including for example those of the internal market, competition, skills and regional policy, trade and investment, standards and regulatory convergence);
6. WELCOMES the 'standardisation package' that aims at modernising the European standardisation system, and LOOKS FORWARD to a further detailed examination of the proposal for a Regulation on European Standardisation; standards can support the global competitiveness of European enterprises, e.g. by facilitating their access to foreign markets and entry into business partnerships world-wide;
7. WELCOMES the Communication from the Commission "A Renewed EU Strategy 2011-2014 for Corporate Social Responsibility as well as of the Social Business Initiative; EMPHASISES market advantages of responsible business conduct; ENCOURAGES the Member States to respond to the Commission's invitation to develop or update their plans or lists of priority actions in support of the Europe 2020 Strategy;

8. RECOGNISES CSR as a voluntary assumption of social responsibility, which goes beyond compliance with laws and regulations and incorporates interaction with stakeholders; UNDERLINES the need to ensure that the promotion of CSR does not result in unnecessary administrative burdens for enterprises;
9. POINTS TO the following industrial policy issues which should be addressed as a matter of priority by the Commission and by Member States, as appropriate:
- Fully implementing and enforcing the Single Market, in particular the Services Directive and proposals aimed at promoting and facilitating the Digital Single Market;
  - Creating the appropriate framework conditions for Member States' industrial competitiveness, reducing the fragmentation of innovation support systems, facilitating the market deployment of innovative solutions, and increasing the market focus of research programmes, providing adequate support along the entire value chain of innovation, e.g. by promoting better access to venture capital;
  - Underlining the importance of the external dimension of economic policy as stated in the European Council Conclusions of October and March 2011;
  - Ensuring fair and undistorted pricing of energy and raw materials as well as favouring energy and raw material efficiency and interconnecting energy networks; improving access to non-energy raw materials;
  - Further concentrating efforts to reduce the overall regulatory burden, in particular for SMEs, including by proposing concrete working methods within the context of the Smart Regulation agenda; encouraging the rigorous application of the SME test;

- Promoting access to appropriate finance for SMEs;
  - Promoting competition among service providers that use the telecommunications, especially broadband, as well as energy and transport infrastructures;
  - Providing efficient and high-quality public services, including unified service centres, shared networks, data centres and one-stop-shops;
  - Raising skill levels of present and future generations to meet the challenges of the knowledge-based economy;
  - Supporting sharing of knowledge, networks and cluster partnerships, including cross-border cooperation, as they offer possibilities for smart specialisation and enhanced business cooperation that could be developed and customised to the particular needs of enterprises in sectors which have significant economic potential; AWAITS the Commission Communication on globally competitive clusters and networks;
10. RECALLS the need to explore in a more systematic way the positive and negative impacts of legislative initiatives and policy instruments, on the international, regional and sectoral competitiveness of European enterprises; RECALLS its commitment to assess the coherence between industrial and all other relevant policies, notably through the results of the integrated impact assessment system, including competitiveness proofing; therefore INVITES the Commission to reinforce its efforts to speed up the implementation of competitiveness proofing as announced; the competitiveness of European enterprises has to become a core concern for all legislative initiatives of the EU; CALLS for a stronger emphasis on industrial policy in the context of the European semester and INVITES the Commission to formulate concrete recommendations to that end;

## II. *Small and Medium-Sized Enterprises (SMEs) seizing global opportunities*

11. TAKES NOTE WITH INTEREST of the Communication from the Commission "Small Business, Big World - a new partnership to help SMEs seize global opportunities" that aims at releasing the growth potential of SMEs through encouragement of international activities outside the EU; RECALLS the subsidiarity principle in the provision of support services; INVITES the Commission, in cooperation with Eurostat, to come forward with proposals on how to improve the statistical data;
12. LOOKS FORWARD to an in-depth mapping of existing support services in the EU and in third countries, helping to identify possible gaps and overlaps, and to the results of that mapping; UNDERLINES the need to involve Member States in the further process; INVITES the Member States and the Commission to improve cooperation in supporting SMEs to seize global opportunities;
13. HIGHLIGHTS the importance of ensuring tailored and easily accessible guidance on how to expand businesses; RECOGNIZES the need for a more coherent, integrated and cost-effective approach to supporting SMEs in the internationalisation of their businesses;
14. STRESSES the need to ensure complementarity with existing support frameworks provided by the Member States and private organisations, so as to avoid duplication of tasks and produce a genuine European added value; CONSIDERS that activities at EU level could add value in areas such as facilitating market access by providing vital information, effective resolution of market-entry barriers through negotiations with third countries or protection of intellectual property rights; UNDERLINES the importance of innovation for the successful internationalisation of SMEs; SUPPORTS the idea of creating an online EU-wide information gateway on international activities outside the EU, as well as greater focus on SMEs that face bigger information and budgetary constraints;

15. INVITES the Commission to pursue its efforts to better promote the distribution of information for SMEs from all Member States with respect to information about European services in third country markets, e.g. by encouraging cooperation and exchange of experience between SMEs in the EU that are 'export veterans' and 'newcomers', as well as by developing a database of success stories; LOOKS FORWARD to systematic reports from the Commission to the Council regarding activities undertaken to encourage international activities of SMEs.

---