

Opinion of the Committee of the Regions on the 'Action programme and timetable for implementation of the action announced in the Communication on an industrial competitiveness policy for the European Union'

(96/C 126/06)

At its meeting of 19 April 1995 the Bureau of the Committee of the Regions instructed Commission 1 — Regional Development, Economic Development and Local and Regional Finances — to draw up an Opinion on the above subject.

Commission 1 adopted its Opinion on 31 October 1995. The Rapporteur was Mr Martin Purtscher.

In view of its urgency, the Commission 1 Opinion was sent to the Council and the Commission for information in accordance with Rule 9(3) of the Rules of Procedure and noted by the Committee of the Regions Plenary Session of 15 and 16 November 1995.

THE COMMITTEE OF THE REGIONS,

Having regard to Title XIII (Industry), Article 130 of the EC Treaty, which requires the Community and the Member States to ensure that the conditions necessary for the competitiveness of the Community's industry exist, and in particular paragraph 3 which states that the Community shall contribute to the achievement of these objectives through the policies and activities it pursues under other provisions of the Treaty;

Having regard to

- the Commission Communication of 1990 on the principles of Industrial Policy in an Open and Competitive Environment (COM(90) 556 final);
- the Commission's White Paper of December 1990 (Growth, Competitiveness and Employment) and the COR's Opinion⁽¹⁾;
- the Commission Communication entitled 'Europe's Way to the Information Society: an Action Plan' and the COR's Opinion⁽²⁾;
- the Commission Communication entitled 'Integrated Programme in favour of SMEs and the Craft Sector' and the COR's Opinion⁽³⁾;
- the Commission Communication entitled 'An Industrial Competitiveness Policy for the European Union' and the COR's Opinion⁽⁴⁾;

Convinced that

- only through timely and decisive action can a contribution be made to strengthening industrial competitiveness and thus to creating new jobs;
- industrial competitiveness has a significant impact on economic and social cohesion in the European Union;
- in order to strengthen industrial competitiveness efforts must be concentrated on selected priorities for action;

Adopted the following Opinion (by a majority) at its Plenary Session on 15 and 16 November 1995 (meeting of 16 November 1995).

Introduction

A. The Communication submitted for the Committee's Opinion contains an action programme and timetable for implementation of the Communication entitled An Industrial Competitiveness Policy for the

European Union. The Committee of the Regions adopted an Opinion on the latter Communication at its 7th Plenary Session held on 20 and 21 April 1995.

B. With the current proposal for an action programme and timetable the Commission is complying with the Council Resolution of 21 November 1994 on the strengthening of the competitiveness of Community industry, in which the Council invites the Commission 'to submit to it ... a schedule for the drafting of appropriate proposals formalizing the initiatives

⁽¹⁾ OJ No C 210, 14. 8. 1995, p. 1.

⁽²⁾ OJ No C 210, 14. 8. 1995, p. 109.

⁽³⁾ OJ No C 210, 14. 8. 1995, p. 92.

⁽⁴⁾ OJ No C 100, 2. 4. 1996, p. 14.

announced by the Commission in its Communication on an industrial competitiveness policy for the European Union in the areas of intangible investments, industrial cooperation, competition and modernization of the role of the public authorities'.

C. The Commission proposal contains an action programme with four priorities for action, a draft proposal for a Council Decision on implementation of a Community action programme to strengthen the competitiveness of European industry and an action programme and timetable for an industrial competitiveness policy for the European Union.

D. For the implementation of its industrial competitiveness policy the Commission has set four priorities for action:

- Development of the internal market,
- Better taking industry's needs into account in research policy,
- Establishment of the information society,
- Promotion of industrial cooperation.

General comments

The Committee of the Regions

1. notes the Commission's arguments concerning the priorities for action for the implementation of its industrial competitiveness policy, the related draft proposal for a Council Decision and the action programme and timetable for the relevant measures;

2. welcomes the drawing up of a practical programme for the implementation of the principles established in the Commission's Communication entitled *An Industrial Competitiveness Policy for the European Union*;

3. notes with approval that, with the establishment of a detailed timetable, rapid progress is to be made on implementation of the initiatives on intangible investments, industrial cooperation, competition and modernization of the role of the public authorities set out in the Commission's Communication on an industrial competitiveness policy;

4. points out however that in implementing the actions account should be taken of regional needs within the Member States;

5. points to the need for Structural Fund intervention to ensure the industrial competitiveness of European industry;

6. believes that, in order to apply the Commission's industrial policy schemes consistently, restricted time

limits must be set for the required authorization procedures, and for processing requests, for example, for research support or back-up for SMEs; this deadline should also be shortened in the light of experience gained to date;

7. asks the European Commission to create access conditions for isolated measures linked to the application of industrial policy schemes so that these can also be met with reasonable effort by small and medium-sized enterprises.

I. PRIORITIES FOR ACTION

The Committee of the Regions

8. believes that industry underpins growth and living standards and that measures are therefore needed to place industry on a competitive basis against a background of competitive pressures;

9. points out that, in addition to the four objectives set out in the Communication, the strengthening of human resources is of great importance to industrial competitiveness and must therefore play a greater part in overall European industrial policy, within the limits laid down by Article 126(1) and Article 127(1) of the EC Treaty;

10. calls for a European industrial policy angled more towards sustainability, as sustainable economic management and consideration for environmental issues are essential to the safeguarding of the living conditions of the next generations.

Development of the internal market

The Committee of the Regions

11. shares the view that the internal market is the Union's greatest contribution to the competitiveness of European industry, but that further efforts are needed to ensure that the single market operates effectively;

12. suggests that future competitiveness will not depend exclusively on efficiency and mass production, but rather increasingly on other capacities such as the rapid use and dissemination of information;

13. supports in principle the further development of the internal energy market with due consideration for the optimum use of renewable energy sources (e.g. hydroelectric power);

14. calls for the regional and local authorities to be involved in the establishment of rules for, and implementation of, the internal energy market, and for the establishment, at EU level and taking account of the present distribution of tasks, of a basic framework to be implemented by the Member States. In this, regional interests, as already outlined in the Committee of the Regions Opinion ⁽¹⁾ on the Green Paper for a European Union Energy Policy (COM(95) 659 final) should find appropriate expression;

15. stresses that the responsibility for the creation of the appropriate regulatory environment lies not only with the Union and the Member States but also with the regions;

16. sees the harmonization of national legislation and the application of the principle of mutual recognition as important instruments for the realization of the internal market, bearing in mind however that a high level of protection must be ensured in areas of public interest such as health and consumer protection and particularly environmental protection.

Better taking industry's needs into account in research policy

The Committee of the Regions

17. agrees with the view that improved cooperation between research and industry plays a decisive part in the strengthening of industrial competitiveness;

18. welcomes therefore the Commission's efforts to bring research closer to industry's concerns via joint projects in the interest of industry, and its intention of drawing up a Communication on closer coordination between research and industry;

19. considers that efforts in the research and technological training area must be steadily increased not only in the EU, the Member States and in industry, but also at regional level, in order to enable firms to adapt quickly to new technologies and markets and to permit the application of appropriate strategies.

Establishment of the information society

The Committee of the Regions

20. stresses the importance for industrial competitiveness of conditions for access to information, information networks and services which facilitate their use. Participation in information networks is of particularly great importance for firms in geographically remote,

underdeveloped or disadvantaged areas and leads to a significant increase in their competitiveness;

21. points out that the emergence of the information society is generally positive for the creation of new markets and jobs;

22. draws attention to the fact that the achievement of this objective is impeded by the size structure of SMEs in the European Union;

23. notes that, although the infrastructure is often to a great extent available, potential users lack knowledge of the advantages of the system;

24. recommends therefore that a campaign to promote communications technologies for SMEs be launched within the framework of the action programme.

Promotion of industrial cooperation

The Committee of the Regions

25. agrees with the view that the Union must endeavour to remove obstacles to industrial cooperation while developing tools for industrial cooperation;

26. stresses the importance of the Leonardo programme for the development of cooperation between firms and other operators in the vocational training field;

27. believes that the development of industrial cooperation with non-Community countries is in everyone's interests and that everything possible should be done to promote this development;

28. supports the proposals for an Integrated Programme in favour of SMEs and the Craft Sector (COM(94) 207 final) and points to the importance of SMEs for economic growth and job creation in the EU, particularly in the regions.

II. DRAFT PROPOSAL FOR A COUNCIL DECISION ON IMPLEMENTATION OF A COMMUNITY ACTION PROGRAMME TO STRENGTHEN THE COMPETITIVENESS OF EUROPEAN INDUSTRY

The Committee of the Regions

29. considers the adoption of a Council Decision on implementation of a Community action programme to strengthen the competitiveness of European industry necessary in order to create a legal basis for implementation of the action programme by the Commission;

30. notes that no provision is made for additional funds for implementation of the action programme;

31. shares the view that a competitive and innovatory industry in the Community is a prerequisite for lasting economic growth and the creation of new jobs, and that the framework conditions for competitiveness and competition must be improved so that the European

⁽¹⁾ OJ No C 100, 2. 4. 1996, p. 60.

Union remains an attractive location for business leading to the creation of new firms and new jobs;

32. endorses the statement that industrial production and services increasingly complement each other and that a competitive industrial sector has a positive effect on the service sector;

33. believes that the Community and the Member States must take measures, inter alia at regional and local level, to strengthen industrial competitiveness;

34. supports the action programme's objectives of eliminating unnecessary legal and administrative constraints for enterprises, particularly small and medium-sized enterprises, ensuring fair competition, strengthening industrial cooperation and promoting intangible competitiveness factors.

III. ACTION PROGRAMME AND TIMETABLE FOR AN INDUSTRIAL COMPETITIVENESS POLICY FOR THE EUROPEAN UNION

The Committee of the Regions

35. supports the timetable for implementation of the action programme for an industrial competitiveness policy for the European Union and calls for rapid

implementation of the measures which are the direct responsibility of the Commission;

36. welcomes the preliminary studies and analyses carried out before the measures for realization of the objectives were adopted;

37. advocates the use of measures which can make an immediate contribution to industrial competitiveness, such as joint policies and cooperation with non-Community countries, the setting up of pilot industrial cooperation programmes and the establishment of a data base on obstacles to the proper operation of the markets and an Industrial Assessment Mechanism;

38. holds fast to the basic condition that the action programme must be carried out with due regard for the principle of subsidiarity;

39. points to the need for consideration of two other objectives, the strengthening of human resources and the promotion of industrial production more closely geared to the principle of sustainability;

40. considers the formulation of the actions to be in some cases too general and therefore expects the measures to be further specified;

41. believes that the actions are in some cases merely continuations of existing initiatives and that new initiatives are being established only to a limited extent.

Done at Brussels, 16 November 1995.

The Chairman
of the Committee of the Regions
Jacques BLANC
