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European industry must be competitive
UNICE reaction to the Commission's communication on industrial policy

At a conference-debate organised by the Commission on 21 January 2003 and in the presence of President Prodi, the President of UNICE, Georges Jacobs expressed the satisfaction of the business community with the fact that the Commission has recognised, through its communication, the need for intensified initiatives for enhancing the competitiveness of European manufacturing industry.

In recent years the public authorities and opinion in Europe have tended to lose sight of the fact that Europe needs a strong manufacturing industry, as a powerful engine for wealth and job creation, improvement of living conditions and development of the service sector. The Commission's new industrial policy concept is well articulated, with its combination of horizontal policies and sectoral initiatives aimed at improving the specific framework conditions of certain sectors.

It is positive that the Commission communication explains for the first time, in a way that is genuinely clear to policy-makers and citizens, that sustainable development is a broad objective which must encompass a strong economic component alongside environmental and social components. The Commission is completely right when it underlines that neglecting the economic "pillar" of sustainable development could only result in the overall objective being missed.

Companies await the move from good concepts to their active application on the ground. Implementation of this vision of sustainable development presupposes rigorous use of extended impact assessment for all major EU policy initiatives, taking account of economic, employment and environmental impacts. The systematic use of such extended impact assessment is planned by the Commission for 2004. For UNICE, the list of pilot measures for which this triple evaluation is already envisaged in 2003 should be widened. For example, the coming Commission proposals under the EU chemicals policy should be included in this list.

The President of UNICE, George Jacobs said: *"It is of critical importance to move from an upgraded industrial policy concept to actions which produce concrete results. And concrete results means many strong, competitive companies that operate in and outside the European market successfully. This should be done with an ambitious and offensive mindset, determined to capitalise on Europe's strong assets"*. The new industrial policy initiative should become a major building block for reaching the Lisbon objective of making Europe the most competitive region in the world by 2010.

If a results-oriented strategy is not implemented, the consequence will be not only that the future development of European industry will be signed away but also that large sections of this industry will leave Europe. Another consequence will be that Europe will lose resources and important levers for contributing to sustainable development.