

**PRESS RELEASE, BRUSSELS, 11 JULY 2012**

**Europe must shape its industrial policy to emerge stronger from the current economic and financial crisis**

**The European industries, working together within the Alliance for a Competitive European Industry, have just met Commission President Mr. Barroso to stress the central role that European industry can and should play in Europe's economic recovery.**

The Alliance, which remitted the attached note to President Barroso, urged the European Commission to step up its efforts to make Europe as attractive as it needs to be for investors, and particularly industrial investors, so as to ensure a recovery of the real economy, with a perspective for growth and jobs.

"In line with the important decisions taken by the European Council in June, the European Commission and the European institutions must focus the agenda towards ensuring Europe's economic recovery: shaping an attractive framework for Europe's manufacturing base, with the jobs it provides, must now become a key priority for Europe" said Alliance Chairman, Adrian Harris.

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**Note addressed by the Alliance for a Competitive European Industry**

**to Mr. José Manuel Durão Barroso,**

**President of the European Commission, 11 July 2012**

**We speak on behalf of European Industry**

The Alliance for Competitive European Industry (ACEI) groups BUSINESSEUROPE and 11 major European industry sector associations. Together, these sectors account for 23 million jobs and 1.3 trillion Euros added value per year in Europe, with a strong contribution of SMEs.

We speak on behalf of European industry, which is one of the pillars of EU economic strength that has proven its resilience during the economic crisis since 2008. Supporting industry triggers a threefold multiplier effect throughout the economy and creates the growth and jobs which the European economy so urgently needs at this moment. Indeed, it is estimated that, whereas manufacturing industry contributed some 18.7% to EU GDP in 2010, industry in the wider sense, as well as the services which depend upon industry, account for close to half of EU GDP. Moreover, the manufacturing industry accounts for 80% of all R&D expenditure and 75% of EU exports.

We welcome that the EU Council has made progress on the following fronts:

- Stabilisation and a better oversight of the financial sector which should, at the same time, provide relief to Member States' financing needs and conditions.
- The beginning of an economic recovery package through the "Compact for growth and jobs".

Nevertheless we believe that much more needs to be done to make Europe as attractive as it needs to be for investors, and particularly industrial investors, to ensure a recovery of the real economy, with a perspective for growth and jobs.

***We therefore call on you as the Commission President to be the driver of a supportive policy and legislative environment for industry.***

We are concerned that the European Commission is currently not sufficiently living up to its commitment to create the right conditions for industrial investment and innovation in Europe.

In particular, we wish to emphasise that all Europe's industries have been part of the successful EU economic fabric and can remain so, but only if the EU regulatory environment is both internationally competitive and provides a balanced approach across the economy as companies move towards an ever more environmentally conscious production. The development of an industrial policy focusing only on the green economy is artificial.

We call for your personal commitment to ensure a set of EU policies and legislation enabling continued viability of EU industry which:

- Have been thoroughly assessed for their impact on competitiveness and jobs prior to adoption, and thereafter at regular intervals, to ensure that they are cost effective for business and to avoid the tendency to go automatically from review to revision.
- Are stable, predictable and coherent, with clear and demonstrated benefits for sustainability and competitiveness, thus creating a clear investment environment over time.
- Provide legal certainty and cut red tape for all operators.
- Enable introduction of new technologies in Europe, without undermining the level-playing field between technologies.
- Recognise the value of the EU industrial fabric and of the multiple and mutually beneficial interactions between industry sectors and the services industry, and maintain the full industry value chain, from its sourcing of raw materials to the delivery of products to consumers.
- For already adopted policies and legislation, have been subject to ex-post evaluation.

This set of policies must have the goal to:

- Unleash the Single Market in areas where it has not been completed yet (services, energy, food, digital sector).
- Promote cost effective infrastructure investment in energy, transport and digital networks.
- Provide better market surveillance to ensure full compliance with our legislation of all products on the EU market, whether imported or made available on the EU market.

Through these a growth in economy, employment, and competitiveness of industry should be aimed for.

***We call on you the President to designate a Commissioner or a group of Commissioners responsible for an agenda which will promote a meaningful investment framework and, therefore, employment. We hope that this will be evidenced in the forthcoming Communication on Industrial Policy planned for the end of September 2012.***

**Ends**

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*Not for publication*

**About the Alliance:**

The Alliance for a Competitive European Industry was formed in 2004 by 11 major European industry sector associations and BUSINESSEUROPE. The common objective of its Members is to promote the competitiveness of European industry on a global scale. The Alliance therefore encourages a policy and regulatory framework that supports that objective, reinforcing and complementing BUSINESSEUROPE's work in this respect by providing a sectoral perspective.

The industry sectors concerned – the automobile, chemicals, cement, pulp & paper, food & drink, textile & apparel, electricity, iron & steel, non-ferrous metals, oil refining and engineering industries - represent the interests at EU level of some 6 000 large companies and 1.7 million SMEs with a combined output of some 5 trillion euros turnover and 1.3 trillion euros added value. These companies directly employ about 23 million people in the EU.

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