



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 22.02.1996
COM(96) 31 final

95/0081 (CNS)

Amended proposal for a

COUNCIL DECISION

**implementing a programme
of Community action to promote the
competitiveness of European industry**

(presented by the Commission pursuant to Article 189 a (2)
of the EC-Treaty)

Explanatory memorandum

On 22 March 1995 the Commission adopted a communication on a programme of action and a timetable for the implementation of the initiatives announced in the communication on an industrial competitiveness policy for the European Union.

The Commission used this communication to send a draft Council Decision implementing a programme of Community action to promote the competitiveness of European industry to the Council, Parliament, Economic and Social Committee and the Committee of the Regions.

In response to the Council's consultation request in accordance with Article 130 of the Treaty the European Parliament adopted a resolution on 27 October 1995 which, with amendments, approved the draft Council Decision.

The Commission is presenting an amended proposal for a Council Decision that takes account of most of the amendments requested by the European Parliament.

The effect of the amendments to the draft Decision is to clarify the scope and aims of the Decision, in particular as regards the interested parties, the level of investment in intangibles, and the contribution by the internal market and that of the policy on economic and social cohesion.

The rejected amendments are either redundant (amendments 5, 8, 9, 12) are too detailed for a framework Decision (amendment 11) or involve a failure to implement Community policies (amendment 6), or refer to an Annex serving as an example which does not form an integral part of the draft Decision (amendments 13-29).

Amended proposal for a Council Decision
implementing a programme of Community activities
to promote the competitiveness of European industry

THE COUNCIL OF THE EUROPEAN UNION,

having regard to the Treaty establishing the European Community and in particular Article 130(3) thereof,

having regard to the proposal from the Commission,

having regard to the opinion of the European Parliament,

having regard to the opinion of the Economic and Social Committee,

having regard to the opinion of the Committee of the Regions,

1. Whereas the Heads of State or Government, meeting within the European Council in Brussels on 10-11 December 1993, adopted the White Paper on competitiveness, growth and employment as a reference for the European Union's activities and those of its Member States, thus supporting an approach to industrial development based on overall competitiveness, growth factor and jobs,
2. Whereas, on 22 April 1994, the Council adopted conclusions on improving the competitiveness of European industry on the basis of the White paper entitled "Competitiveness, growth and employment",
3. Whereas, on the basis of a Commission communication of September 1994 the Commission adopted the resolution of 21 November 1994¹ that is aimed at boosting the competitiveness of Community industry by, in particular, stressing that a competitive, innovative industry constitutes the basis for economic growth and the creation of jobs; whereas the background conditions for competitiveness and competition must be improved in order to enable the European Union to continue to be an attractive locus of economic activity in order to create new businesses and jobs,
4. Whereas, on 10 October 1994, the Council adopted a resolution supporting the Commission's integrated programme in support of small and medium-sized businesses and the craft industries,
5. Whereas the Cannes European Council received with great interest the report by the Advisory Group on Competitiveness (Ciampi Group),

¹ OJ No....., of.....

6. Whereas, on 29 June 1995, Parliament adopted a resolution on the communication from the commission concerning an industrial competitiveness policy for the European Union,
7. Whereas industrial production and services increasingly complement each other and that, therefore, a competitive industrial sector is essential if the scope for job creation in the service sector is to be fully exploited,
8. Whereas the internal energy and telecommunications market must be produced against a background of the rapid boosting of the competitiveness of those sectors and of industry in general,
9. Whereas no progress is made towards greater economic and social cohesion without any improvements to the competitiveness of European industry and whereas, conversely, improvements to competitiveness can only take place if economic and social cohesion are taken into account,
10. Whereas it is first of all the task of businesses, individuals and both sides of industry to ensure and improve industrial competitiveness, and that of the Community and Member States to ensure that the necessary conditions are provided; whereas it is particularly urgent that the Community and Member States, acting within the area of their respective powers, should adopt measures to that end,
11. Whereas industrial competitiveness is particularly affected by the cost and quality of the public services,
12. Whereas the gathering pace of technical progress, the increasing globalization of markets, the intensification of international competition and the growing importance of environmental protection require extra efforts from all of those bearing responsibilities within the economy, politics and society in order to ease the structural adjustments needed, more particularly in order to ensure lasting development and to create new jobs,
13. Whereas a better taking into account of the needs of the market within research policy and the rise of the information society will have a decisive effect on all of the industrial activities within the Union,
14. Whereas it is necessary to avoid distortions of competition and to provide incentives for the opening up of markets both inside and outside the Community,
15. Whereas the development of human resources via, in particular, vocational training, constitutes an essential aspect of the structural adjustments needed in order to boost industrial competitiveness,
16. Whereas it is necessary to clarify the legal bases of the activities developed in the industrial sphere in order to implement the initiatives announced in the communication on an industrial competitiveness policy for the European Union,

17. Whereas, in view of its multiplier effect, the strategic role played by investment in bolstering industrial cooperation constitutes a priority instrument for socio-economic development and the bringing together of nations,
18. Whereas it is appropriate to promote the social dialogue in order to boost the competitiveness of the European Union.

HAS DECIDED AS FOLLOWS:

Article 1.

The approaches contained in the action programmes annexed hereto that are intended to boost the competitiveness of that European industry which will constitute the basis for economic growth and the creation of jobs and will contribute towards economic and social cohesion, are hereby adopted for the purpose of:

- A. promoting the intangible factors of competitiveness,
- B. modernizing the industrial role of the public authorities, in particular in order to free businesses (in particular SMB) of all superfluous legal and administrative constraints,
- C. guaranteeing undistorted, fair competition both inside and outside,
- D. boosting international cooperation.

Article 2.

Every year the Commission shall send the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions a report assessing the results obtained and accompanied, where appropriate, by appropriate proposals.

Done at Brussels,

PROGRAMME OF ACTIVITIES INTENDED TO BOOST THE
INDUSTRIAL COMPETITIVENESS OF THE EUROPEAN UNION

Main approaches

1. Giving practical form to the initiatives announced in the communication on an industrial competitiveness policy for the European Union
 - intangible investment,
 - industrial cooperation,
 - industrial aspects of competition,
 - modernization of the industrial role ²of the public authorities,
2. Paving a smoother way for the learning society, more particularly by promoting continuous training,
3. Development of industrial cooperation by taking account of the specific situation
 - of the Central and East European countries, the Baltic countries and those of the CIS,
 - of the Mediterranean-basin and Latin-American countries,
 - of the Asian countries,
 - of the ACP and Southern African countries,
4. Intensification and deepening of the relations between the European Union and the United States, particularly via support for the Transatlantic Business Dialogue,
5. Establishment, in cooperation with the committee with responsibility for trade policy, the national administrations and industry, of a database on the barriers encountered by European businesses in non-member countries on a market-by-market basis,
6. examination of the question of the scattering of industrial activities and services and report to the Directors-General for Industry,
7. Improvements to the operation of the internal market, in particular with a view to speeding up the process of standardization and to further the efforts towards coordinating national initiatives for the support of businesses facing barriers to trade within the Union,
8. Examination and upgrading of the complementary nature of industrial activities and the services linked to them,

9. Annual report on movements in the competitiveness of European industry - more particularly on the basis of the information received for the "Panorama of European industry",
10. Regular report to the Directors-General for industry on the progress made by this programme of activities and on any possible adjustments to the programme of activities for the years ahead.

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