



## 'Enabling European Industry's Global Leadership'

*18h30 - 19h50 Roundtable Dinner Debate  
Wednesday 25 September 2019*

European Parliament



**Ville NIINISTÖ MEP, (Greens/EFA, Finland) Industry, Research & Energy Committee**

A former Finnish Minister of the Environment, he welcomed MEPs, Commission speakers and manufacturers to the European Forum for Manufacturing Roundtable Dinner Debate on 'Enabling European Industry's Global Leadership'. He would be chairing and moderating the evening.



Pierre DELSAUX, EUROPEAN COMMISSION, Deputy Director General, DG Internal Market, Industry Entrepreneurship and SMEs (GROW)

We have come a long way in this Commission in mainstreaming and delivering on a comprehensive and integrated industrial policy strategy.

We have an integrated approach to industrial policy and Single Market, and it is important to maintain it.

- The Juncker Commission has put industry at the heart of its political priorities. The objective has been to empower industry to reap the opportunities of industrial transformation and be a world leader by embracing digitalisation, innovation and sustainability.
- To achieve this, the Commission has put forward a comprehensive set of initiatives fostering investment in new technologies, stimulating the transition to a circular economy, improving the business environment, easing access to markets and finance, particularly for SMEs, and ensuring that workers have the skills industry needs.
- And we have delivered all these measures as announced in the 2017 European Renewed Industrial Policy Strategy.
- We moved to a comprehensive approach to industrial policy, and it is important to maintain it, without narrowing the discussion to limited topics. That is why we also welcome the call from the European Council for an integrated approach to competitiveness, with industrial policy, Single Market, trade policy, and digital policy, including a long term vision for EU industry.
- There is no European industry without the Single Market. That is why I agree with the Industry 2030 report which sees the Single Market, and the legislation on which it is based, at the core of industrial policy. As such, it needs to constantly evolve to keep Europe's internal and global competitive edge and to adapt to the modern economy and the new business models. And we should not only see the Single Market as an economic project, but also as a tool to spread the costs and benefits of technology and business activities widely and fairly.
- A continent-wide internal market is our main asset for strengthening EU industrial value chains and for increasing the competitiveness of EU industry. Yet, there are persistent barriers in products and services markets. The potential for a more integrated Single Market is still massive and its deepening remains a key priority.
- As part of the efforts to meet this objective, the Commission is working on the European Council request of a long-term action plan for better implementation and enforcement of single market rules.
- A stronger Single Market also requires extra efforts to remove the barriers along industrial value chains, particularly for industry-related services and data. Since industrial services and products are more intertwined, services always need to be part of our thinking on the long-term industrial strategy.
- As announced by Commission President-elect von der Leyen, the next European Commission will deliver a new long-term strategy for Europe's industrial future.





- I am confident that this new industrial strategy will build on what we have achieved and deliver results on the remaining challenges and new opportunities, covering all aspects that affect industry and its competitiveness whether at home, in the Single Market, or abroad.
- It should guide the industrial transition for the digital age and a climate-neutral economy while ensuring at the same time EU leadership in the circular economy and clean technologies. It should ensure that EU industry provides economic value-added and quality jobs in Europe as well as value for our society.
- While working on this strategy we will look on the advice given by Industry 2030 experts. A Green Deal with the industry was one of the game changing actions proposed by this group. We see it now being put as one of the political priorities for the new Commission, along with much more emphasis on the value that industry can deliver to the society.
- The EU industry is expected to fully contribute to the objective of a climate-neutral economy by 2050. In this respect, the new industrial strategy will be key in helping the EU industry succeed deliver on these responsibilities.

Industry representations (*see Orgalim website*) were made by:

Malte Lohan ORGALIM,  
Europe's Technology Industries



Lars-Henrik Jörnving, SCANIA CV AB, Vice-President,  
Head of Global Industrial Development

Karl Haeusgen, HAWE HYDRAULIK SE,  
Board Management, Speaker of the Board  
(CEO)





Rada Rodriguez, SCHNEIDER ELECTRIC/Orgalim,  
Member of the Management Board Deputy President

and

Dr Norbert Schultes  
from the German Permanent Representation to the EU,  
Head of Economic Department.



Dinesh DHAMIJA MEP, (Renew Europe/UK), Internal Market and Consumer  
Protection Committee (IMCO)

I am happy to meet the representatives of European industry right at the beginning of my new mandate. As I am a member of the IMCO committee, I believe we will have a chance to cooperate closely in the near future.

Here are my thoughts on the upcoming challenges to the Single Market, but mainly I am looking forward to hearing your solutions.

As a Member of the Renew Europe Group, I welcome the fact that Ms. Sylvie Goulard, as a liberal, designate Commissioner, has the Single Market portfolio.

And I believe that the Commission President-elect Ursula von den Leyen will boost the Single Market and keep it as an ongoing priority.

I will definitely try to do my bit in that regard as well. Given my professional experience, I will be focusing on better integration in the area of services.

Having said that, I believe that every business will become a software business. The EU is a majority service economy. Almost three quarters of the EU GDP originates from services. But EU services are less productive than the US, giving us a disadvantage against international competition.

The key to success is innovation. Innovation increases productivity. I speak from experience. I was the first person to bring the internet to the travel business in the EU at Ebookers.com.

In that regard, I must commend manufacturers as they provide more than 80% of research and development expenditure by the private sector.



Keeping innovation in mind we must ensure flexible rules to allow for new business models.

At the same time, we need to attract innovators and entrepreneurs from around the world.

New infrastructure like 5G is very important. South Korea, for example, will have 100% coverage by the end of 2019.

The EU could be 2 to 4 years behind. This means that innovation hubs are going to move to the East!

Which is bad news!

Finally, it is crucial to thus cut red tape and move to one in - one out legislation as Ms. van den Leyen announced. For more interesting thoughts I recommend you all a recent article by The Economist called 'A singular opportunity'. That about sums up the challenge ahead for us.

Andreas SCHWAB MEP, (EPP, Germany), IMCO

*These were the highlights which were noted from this presentation*

Figures and economic data do not convince the public.

There is no technical appeal to the single market-it is political.

We need to fight for the economic advantages of the EU to come back into the debate.

We need to show that the single market is not bureaucratic - it is one rule instead of 28 member states rules' - previously subsidiarity principles came into play.

The EFM could be the place where this is discussed. This can only be done by the people in the member states not MEPs and the European Commission alone.

MEPs in the ITRE Committee are frustrated that it is not taken seriously.



Maura PETRICCIONE, EUROPEAN COMMISSION, Director General, DG CLIMA

*These were the highlights which were noted from this presentation*

Good to start with the problem and climate change is a problem rather than a challenge.

As an example close to home, barges on our waterways are having difficulty transporting goods because the water level has reduced. We cannot calculate the impact also on hydro power of this.



Climate action does not date from Paris.

We have to increase our activity in this area and global action needs models e.g. in economic development and we cannot continue without that economic development. We should avoid people choosing between action for one month and the end of the world.

We need the Industrial Strategy paper to take this into account. We need to be able to put the technical and financial objectives together. We also need to ensure that there is not over-regulation.

We need to start now for an infrastructure to be available in 10 years time. Industrial production is on the verge of intense new investment cycle for the next 20 to 50 years. We are deciding now on the factories for the 2030s and 2040s.

The rest of the world, China and the US are the biggest competitors and challenges. We must at international level persuade, challenge and support.

MAFF will take this into account i.e. include targets for clean economy. Member states agree that to trigger this transformation, it needs critical mass for private industry to feel confident.

Instruments like the innovation fund are welcome to support commercial development of breakthrough technologies.

The key is to make the right choice in what is needed in technologies to transform the economy. In June, 24 member states endorsed the strategy and 4 member states asked for more time.

Conventional wisdom is to look at the long-term objective but the economic data to provide this analysis is 2 to 4 years old.

There is a two-step approach - hundred days package of climate law endorsed by all member states with the legislative proposal in 2020.

There needs to be synergy between the EU and national concerns.

As an example: the European Climate Pact has done a lot locally. There is a need to create better guidelines for insurance companies and city councils.

We need a few months to re-do the financial analysis.

ETS - we are looking at this again.

With regard to international trade we need to move away from these agreements to have a variety of agreements which are economic as well as moral.

Europe has always had a problem-it is high maintenance. Issues of carbon leakage and the carbon border tax.



Heidi HAUTALA MEP, (GREENS/EFA, Finland), Vice President European Parliament, International Trade Committee

*These were the highlights which were noted from this presentation*

When the European Union gets its act together it becomes a norm maker rather than a norm taker.

We need a new model for trade agreements.

MERCOSUR is a step forward - the question around no enforceability of sustainability, complicity in importing emissions, raw materials etc. There is a need to ensure issues of child labour and deforestation are examined.

This will be an issue for Commissioner Hogan designate.

We will be looking at Responsible Business Conduct as an issue in our committee. Geo-political impact and supply chains need to be examined as well as WTO rules.



Seb DANCE MEP, (S&D, UK), Vice-Chair Environmental Public Health & Food Safety Committee

*These were the highlights which were noted from this presentation*

A good example of the impact of climate change is being felt by the producers of grapes in southern Greece which has had to be moved to northern Greece because of hotter weather. Result: new agricultural initiatives have to be taken by those farmers in southern Greece.

Politics is not keeping up with public expectations.

New support needs to be provided to help communities which are being closed down by the impact of climate change.

ANTONY FELL, EUROPEAN FORUM FOR MANUFACTURING, Secretary General

He thanked the Commission speakers from DG GROW and DG CLIMA for their valuable input to the evenings debate and especially for their statements that the next European Commission will deliver a new long-term strategy for Europe's industrial future.

The next European Forum on Manufacturing of 15 October in the European Parliament will focus on Priorities for the Agricultural Construction





Equipment Sector. It will address two issues: the next EU budget and competitiveness in the global market place.

On 6 November the EFM Roundtable Dinner Debate will address the question of the Future of Mobility and Sustainable growth.

In conclusion, Antony Fell thanked all those who had helped to prepare for such a successful evening and its sponsor Orgalim.



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