



*El buen vino se ha de
beber en cristal fino*

(Refrán español tradicional – anónimo)

• *Good wine should be
drunk in fine crystal
glass*

(Traditional Spanish saying – anonymous)



A European Industrial Policy

-also for the Glass sector-

**HEARING "An Industrial Policy for the European Glass Sector"
European Economic and Social Committee - Brussels, 22/10/2014**

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European Commission*



Outline

A. Setting the scene - Europe 2020

B. European Industrial Policy

➤ **To face the challenges for Glass**

C. Conclusion



A. Europe 2020

Towards a

- **Smart**
- **Sustainable**
- **Inclusive**

GROWTH

20% target of industry's share in Europe's GDP in 2020





Europe 2020 – Flagship initiatives

Smart growth

- **Digital agenda for Europe**
- **Innovation Union**
- **Youth on the move**

Sustainable growth

- **Resource efficient Europe**
- **An industrial policy for the globalisation era**

Inclusive growth

- **An agenda for new skills and jobs**
- **European platform against poverty**





European Industrial Policy in 2014

For a European Industrial Renaissance

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS



B. European Industrial Policy in 2014

I. Why an industrial policy?

II. What kind of industrial policy? What to do? Who should do it?

III. How should it be implemented?





I. Why an industrial policy?

- *Increasing competitiveness is an urgent need for the EU*
 - In the long term



Europe is no longer a world "maker"

(Manufacturing contribution to GVA)



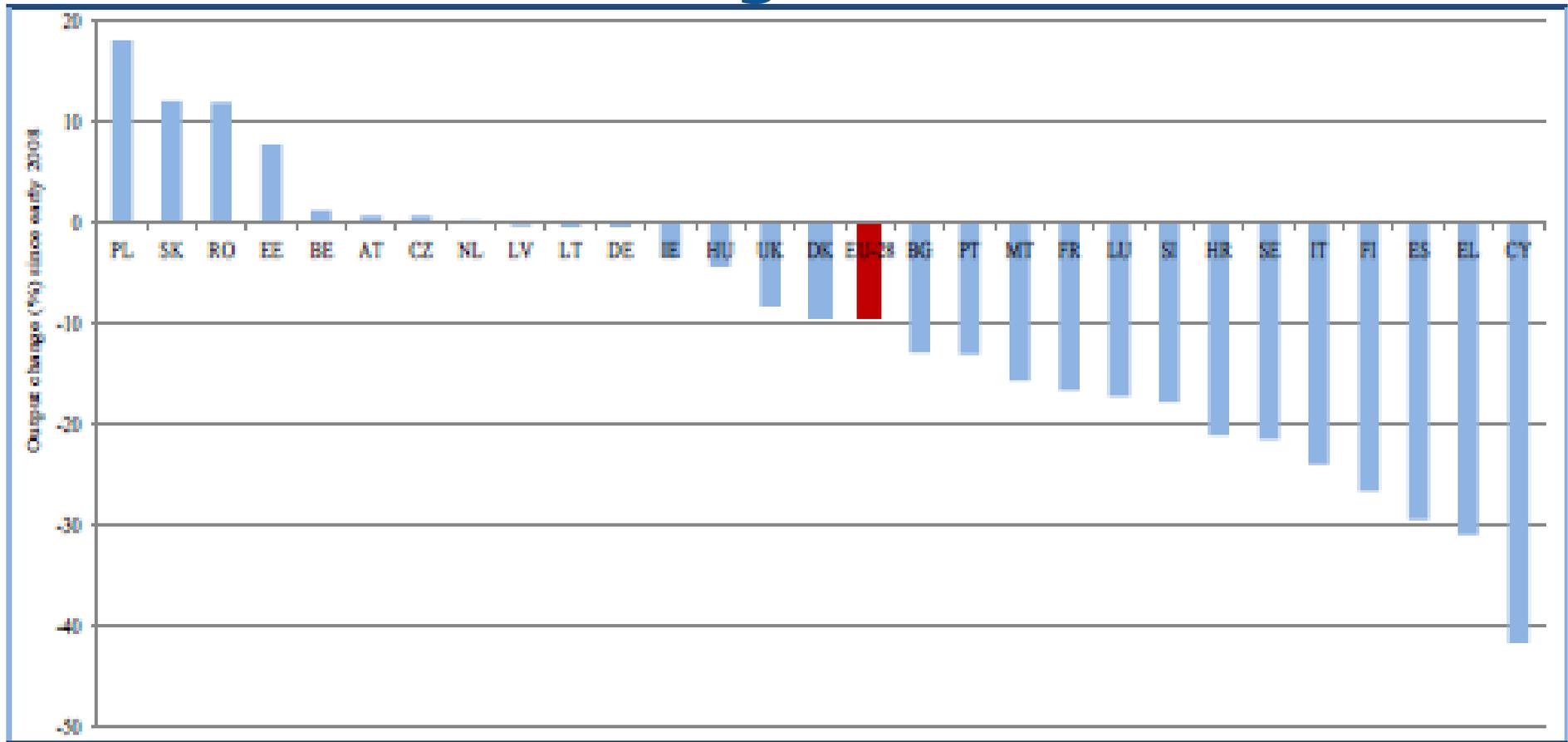


I. Why an industrial policy?

- *Increasing competitiveness is an urgent need for the EU*
 - In the long term
 - For the recovery



Low growth



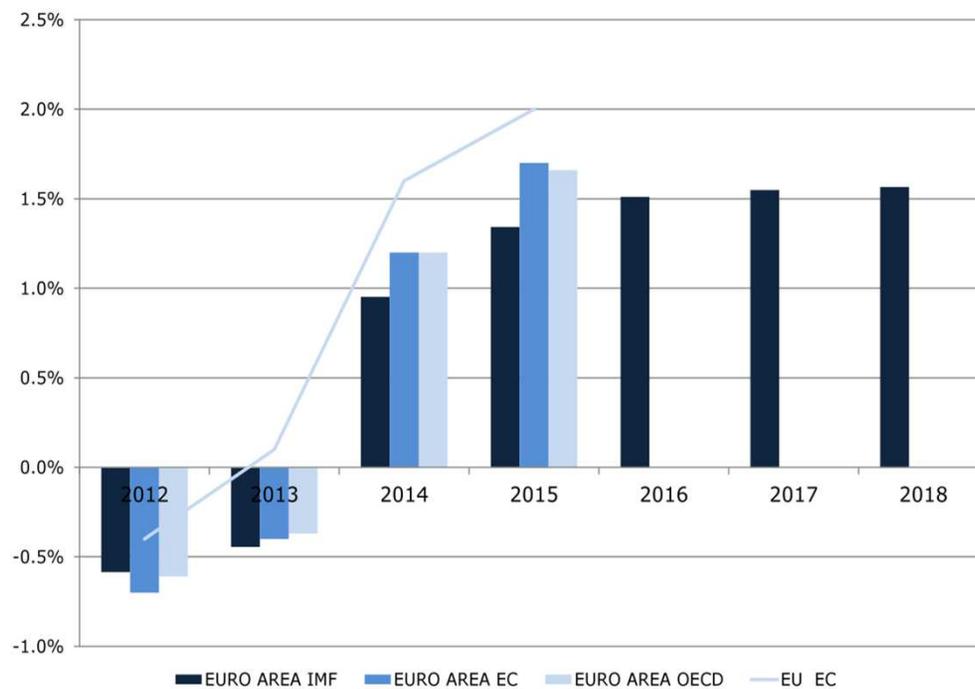
Manufacturing recovery by MS

Source: *Industrial Competitiveness Report (2014)*



Low growth forecasts

GDP Growth forecasts for the Euro Area and the EU (source: IMF, OECD and EC)



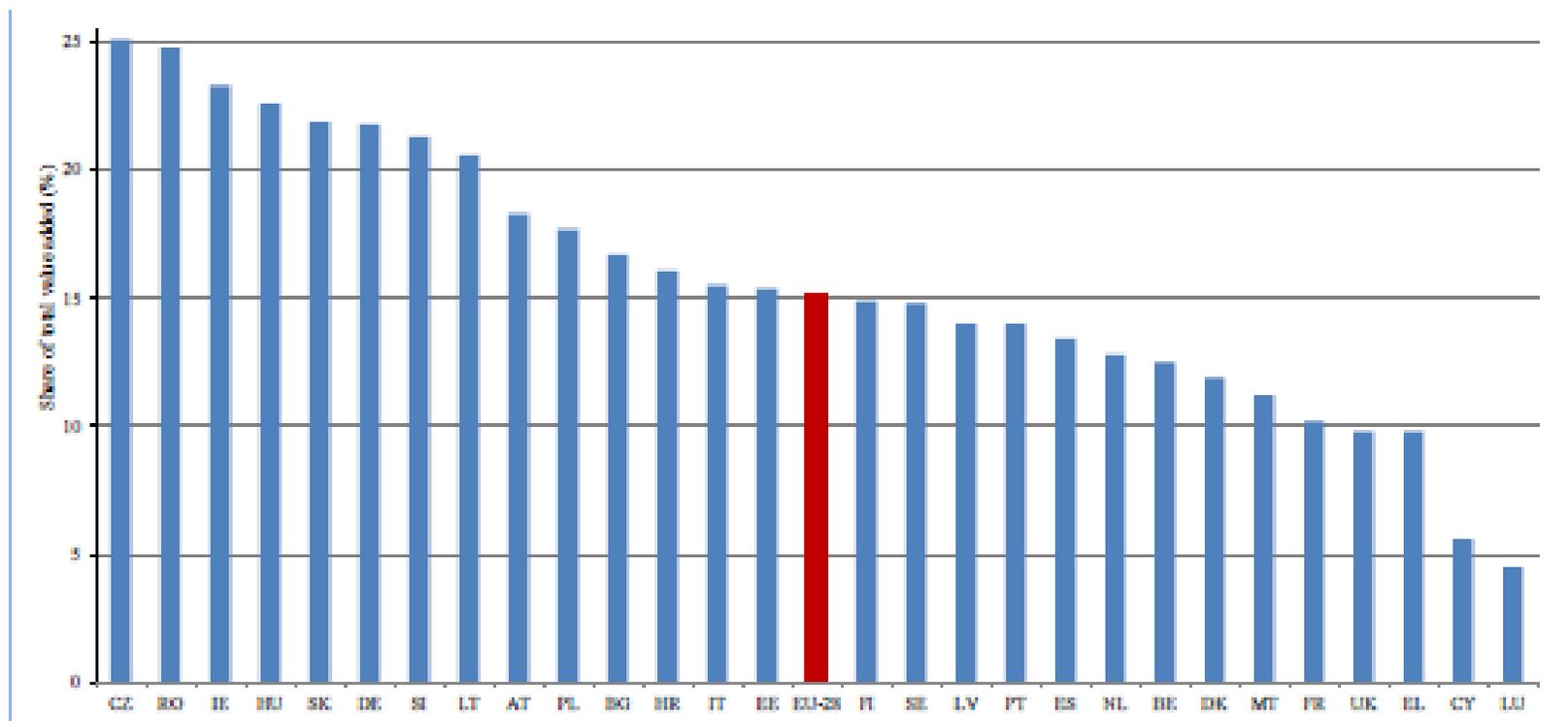
EU GDP growth
Source: Eurostat



I. Why an industrial policy?

- *Increasing competitiveness is an urgent need for the EU*
 - In the long term
 - For the recovery
- *The consequences of losing a strong competitiveness are a matter of concern: Industry matters !*

The consequences of de-industrialisation would be serious



Share of manufacturing on total value added in the EU and MS

Source: *Industrial Competitiveness Report (2014)*



II. What kind of industrial policy?

- *A consolidated industrial policy for Europe? An industrial system in the EU*
- *A sectoral or a horizontal industrial policy? Activities*
- *Focused on manufacturing? No, services too*
- *The importance of sustainability*
- *Not a one off exercise, but continuity in the rolling out of IP, stability and predictability*





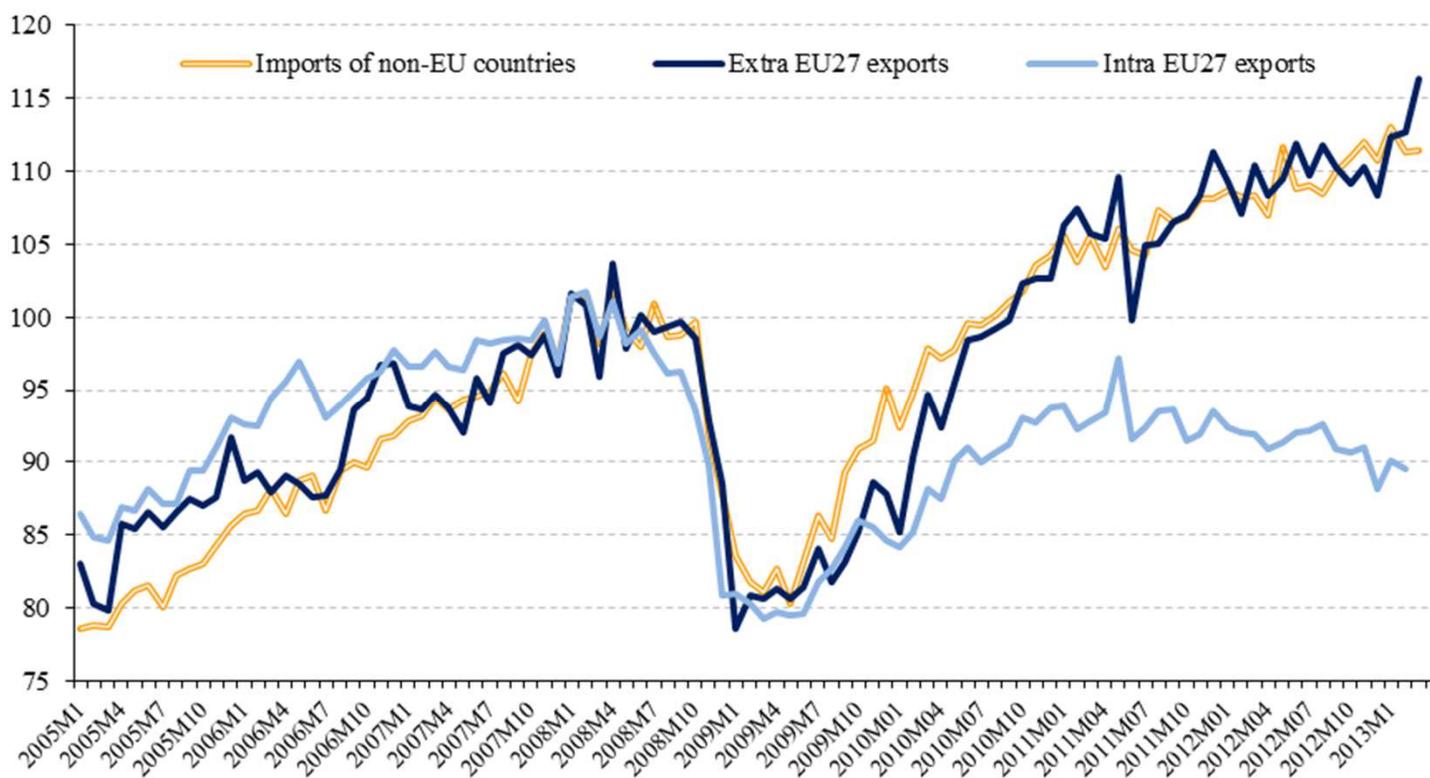
Main challenges hampering growth

- ***Weak internal demand***



Exports to the rest of the world have been the main driver of industrial activity

External and internal EU trade





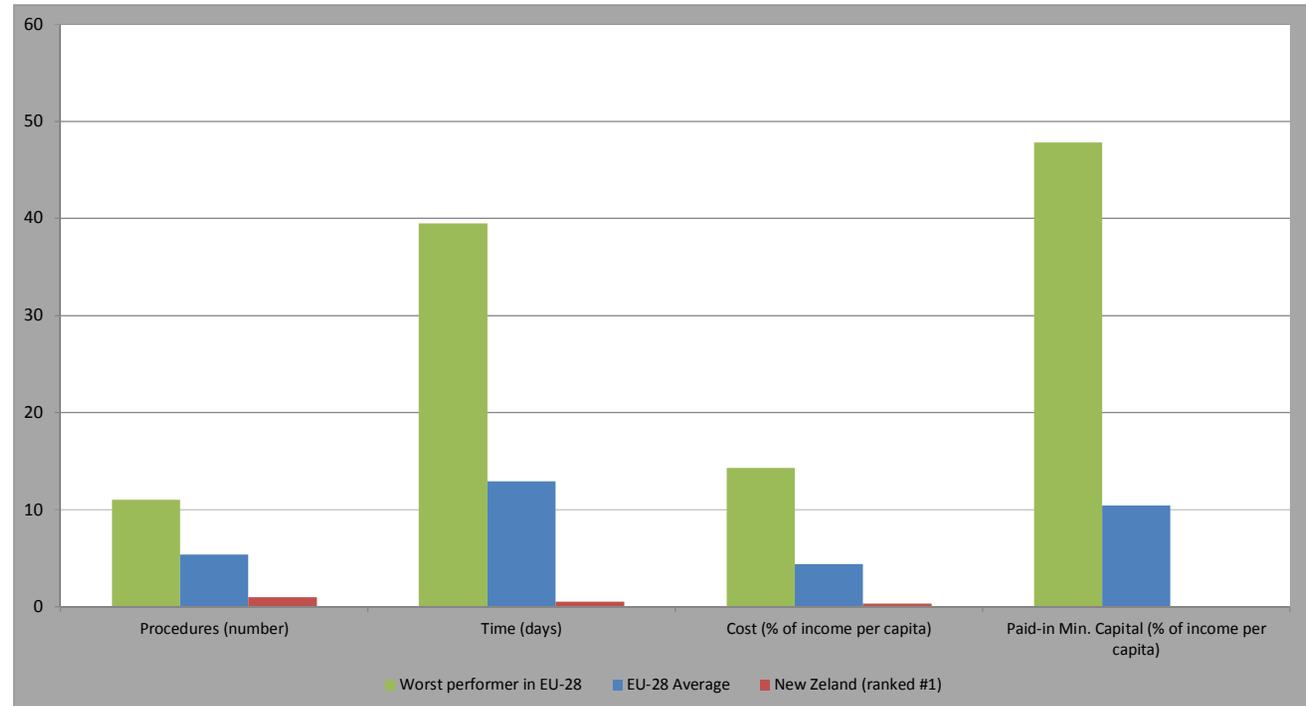
Main challenges hampering growth

- ***Weak internal demand***
- ***Non-conducive business environment***



Facilitating entrepreneurship and breaking barriers for SME growth

Starting up a business:
Costs comparison between EU-28 average, worst EU performer and international benchmark (NZ)



Source: World Bank Doing Business 2014





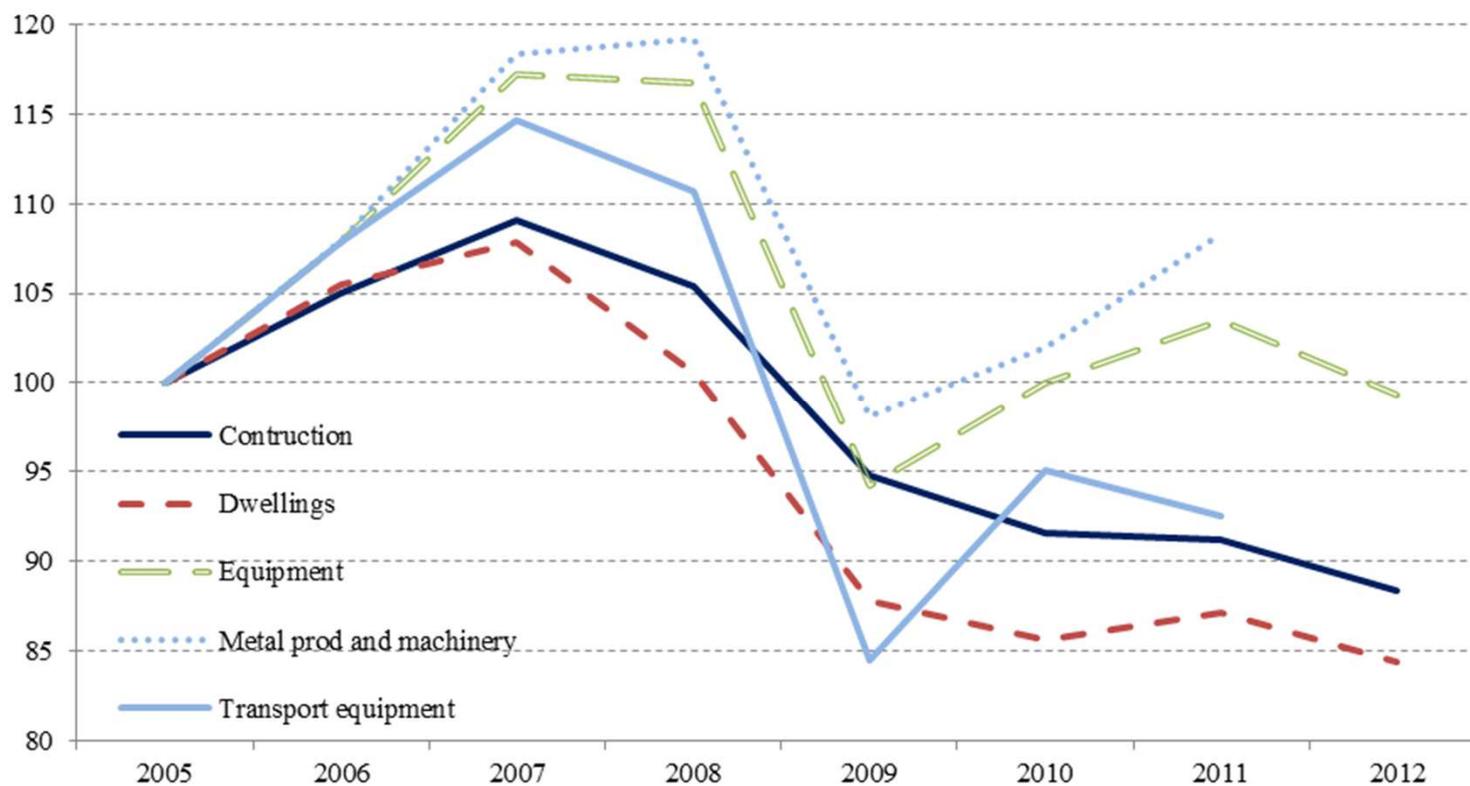
Main challenges hampering growth

- ***Weak internal demand***
- ***Non-conducive business environment***
- ***Low innovation and investment***



Investment in the EU is not responding

(Index; 2005=100)

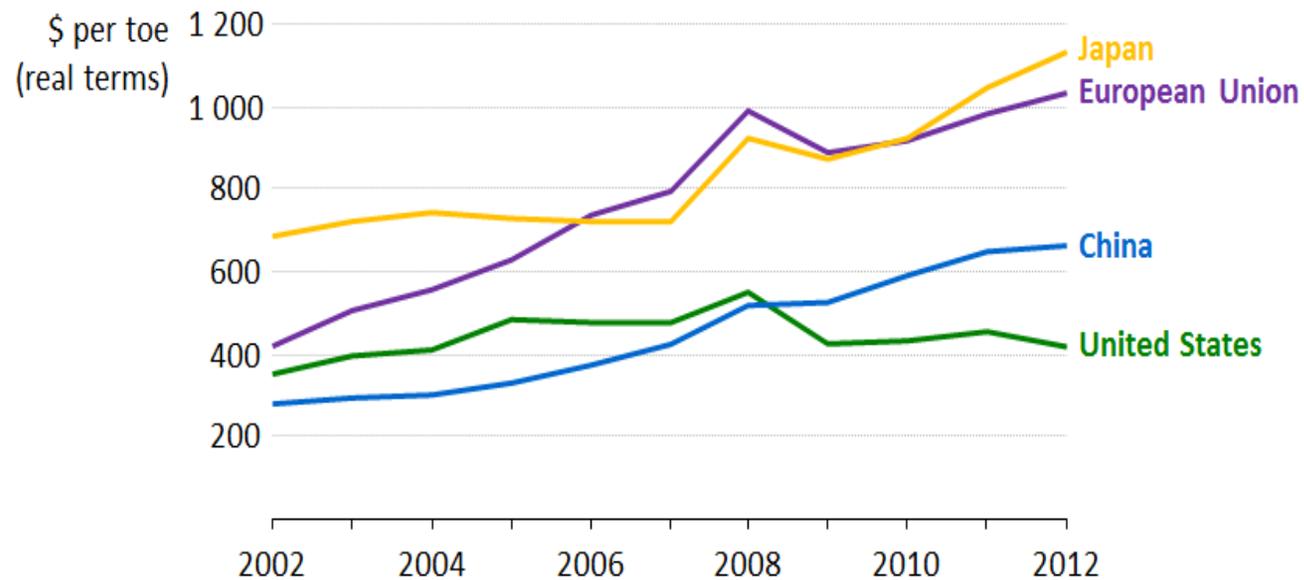


Main challenges hampering growth

- ***Weak internal demand***
- ***Non-conducive business environment***
- ***Low innovation and investment***
- ***High energy prices***

Energy prices

Weighted average industrial energy prices (including tax) by economy



Source: International Energy Agency



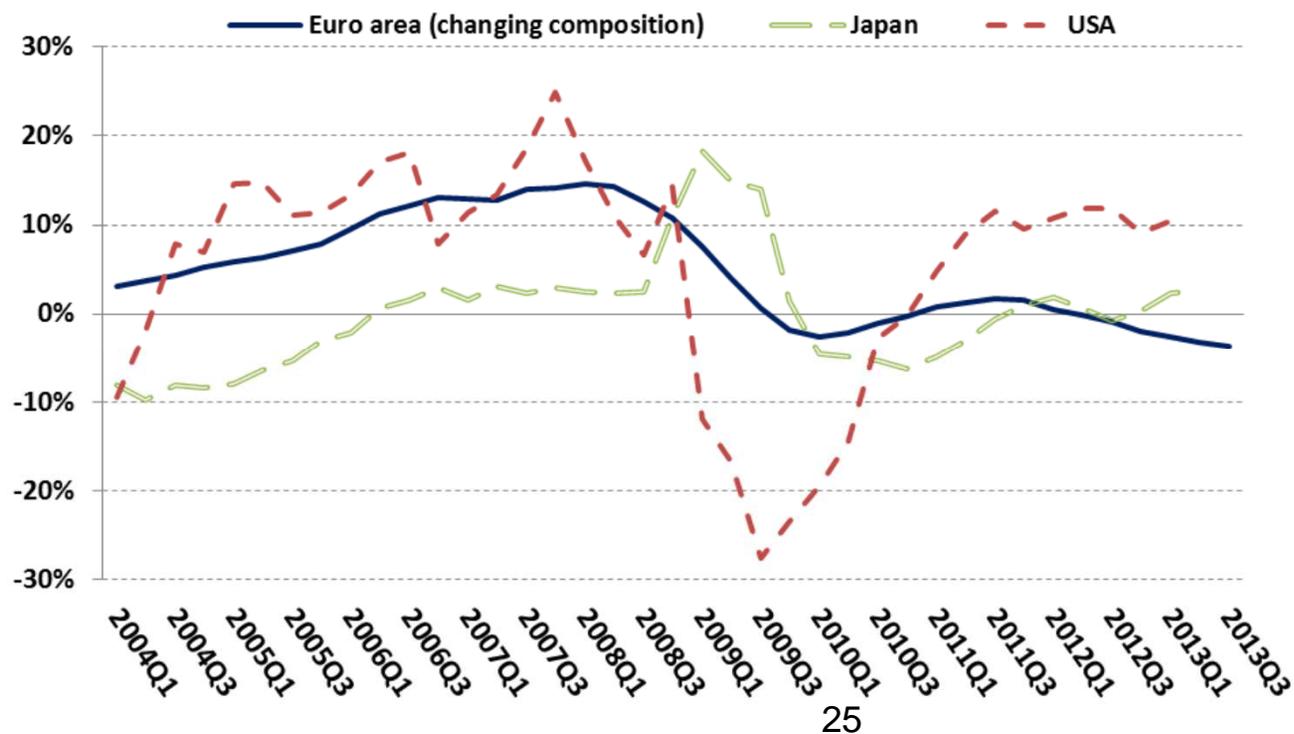
Main challenges hampering growth

- ***Weak internal demand***
- ***Non-conducive business environment***
- ***Low innovation and investment***
- ***High energy prices***
- ***Access to basic inputs difficult*** (*raw materials, qualified labour and capital*)



Loans to non financial corporations

Access to finance: Year-on-year growth of loans to non-financial corporations



Source: ECB, US Federal Reserve, Bank of Japan



The pillars of EU industrial policy

- 1. Investment in innovation*
- 2. Easy access to key inputs to firms, SMEs in particular*
- 3. Maximise the potential of the Internal Market*
- 4. Internationalisation of EU firms*
- 5. Provide a business friendly environment*



1. Investment in innovation

- *Horizon programme*
- *Task forces*
 - **Advanced manufacturing technologies**
 - **Clean vehicles**
 - **Bio-based technologies**
 - **Key enabling technologies**
 - **Smart grids**
 - **Sustainable construction**



2. Easy access to production inputs

- Access to finance
- Access to raw materials
- Energy
- Skills



3. Maximize EU internal market's potential

- Finalize transport and energy networks**
- Market surveillance and product safety**
- Standards to accelerate innovation**
- Student and workers' mobility for greater skills**
- Facilitate diffusion of new technologies**
- Internal market for services**





4. Internationalisation of EU firms

- Exports: European success story to be continued**
- Facilitate the integration of EU firms in global value chains**
- Ensure access to global markets**





5. Provide a business friendly environment

- Potential of clusters and smart specialisation**
- Updated Small Business Act**
- Growth-friendly public administration**
- Regulatory fitness and performance programme**
- Cumulative cost assessments**





III. How to implement EU industrial policy?

1. Improved policy making

- **(a) Mainstreaming of competitiveness**
- **(b) Building a partnership with Member States and Regions**

2. Credible commitment: Use our financial resources





1. Improved policy making

a) Mainstreaming of competitiveness

Already underway inside the Commission. Ex:

- **Tools: Development of suitable instruments: Competitiveness proofing, fitness checks**
- **Policies: State aid modernisation - Cohesion policy**

More work remains to be done:

- **Systematic assessment of competitiveness impacts across policy areas and improving the analysis and knowledge base (e.g. competitiveness observatory)**
- **Upstream co-operation and impact assessments**





1. Improved policy making:

b) Building a partnership with Member States and Regions

- **Co-ordinated approach needed between EU, MSs and regions: ownership and regular monitoring of industrial policy needed from COMPET Council**
- **Assessing the efficiency of mechanisms to ensure that decision-making and implementation of industrial policy at regional, national and EU level is mutually reinforcing**





2. Credible commitment: Use our financial resources

- ❑ € 2.3 billion COSME programme to support entrepreneurship**
- ❑ > €100 billion of European Structural and Investment Funds (ESIF) available for regions to finance investments in industrial competitiveness**
- ❑ €80 billion of the Horizon 2020 Programme available for financing the commercialisation of research**





IP > to face the challenges for Glass

- **2030 Climate and Energy Package**
- **Energy**
- **Food Contact materials**
- **REACH**
- **Trade**



Conclusions

Europe 2020

- **20% of GDP for manufacturing by 2020**

European Industrial Policy

Communication on "Industrial Renaissance"

- **Need to enhance industrial competitiveness to relaunch growth and employment**
- **Reviews – CCAs**

Co-ordination of policies



More info

Europe 2020

http://ec.europa.eu/europe2020/index_en.htm

European Industrial Policy

http://ec.europa.eu/enterprise/policies/industrial-competitiveness/industrial-policy/index_en.htm

Communication on "Industrial Renaissance"

<http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52014DC0014>

Communication on 2030 Climate and Energy Package

http://ec.europa.eu/clima/policies/2030/index_en.htm

European Competitiveness report 2014

http://ec.europa.eu/enterprise/policies/industrial-competitiveness/competitiveness-analysis/european-competitiveness-report/index_en.htm





Thank you!

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Policy Officer

***Non-metallic mineral products (cement, ceramics,
glass and lime sectors)***

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