

## **Position Paper for Commission Consultation on the Future “EU 2020” Strategy COM (2009) 647/3**

### Introduction

*“To stay ahead, the EU needs to be quick in seizing opportunities and in anticipating and adapting to future trends”.*<sup>1</sup> As an association of technological industries we fully underline this statement from the consultation on the future “EU 2020” Strategy. However, as the Commission rightly states, *“to lead, compete and prosper as a knowledge-based, connected, greener and more inclusive economy, growing fast and sustainably, creating high levels of employment and social progress [...] Europe needs a strengthened and competitive industrial base.”* From the point of view of companies in metalworking, mechanical engineering and the electrical and electronics industries, we see the following preconditions for a strengthened and more competitive industrial base.

### Industrial policy

The consultation document calls for *“a fresh approach to industrial policy in order to support industry by putting the emphasis on sustainability, innovation and the human skills needed to keep the EU industry competitive”*. We strongly support this, taking into consideration that a general long term vision should in our opinion be very well complemented with the follow up to specific sectoral industrial policy initiatives such as ELECTRA en EnginEurope.

### Reputation

Reputation of the technological industry is vital both to positioning our industries with regard to societal challenges like climate change and aging, but also in order to secure for the future continuous influx of young skilled workers. Although our industries have one of the highest productivity growths, we suffer from a negative reputation. In order to learn where there is a gap between the identity of the technology sectors and the perceived identity, we suggest the Commission in the context of a future strategy, to perform a comparative study into the reputation of the engineering sectors that comes up with comparable data of EU Member States.

### SMEs

In Commission policy papers there are usually big expectations towards SMEs, as they would have a large potential productivity growth. In the day to day practise SMEs however often suffer from lack of access to apt funding because in the European definition they are considered large companies if they are part of a holding. This causes a loss in productivity. In the context of the new 2020 strategy the Commission could take a closer look at a better targeting of SME subsidies, in order to guarantee higher competitiveness.

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<sup>1</sup> Consultation document, p.10.

### Competitiveness targets

In the draft document for consultation, the Commission keeps away from formulating competitiveness targets. We as technological industries think that the idea of EU-wide targets with coupled individualised commitments – analogous to the burden sharing in the 2020-Climate Goals – could also be effective as regards competitiveness goals. Furthermore we suggest the use of specific innovation indicators. In this regard we should follow the suggestions made by the Lisbon Council Think Tank: they suggest innovation and dynamism of the economy could be best measured by taking up the following indicators: \* productivity growth, \* number of people switching jobs, \* number of high skilled immigrants, \* birth/death rates of companies.

### Market uptake of technological innovations

Governments on all levels play a very important role in the market uptake of technological innovations. We suggest that governments should act as a "launching customer" for innovative products and techniques, buying these products first. Therefore the EU should set indicative targets with respect to 'green procurement', so the real green behaviour of governments is assessed. It is our experience that the practice of 'green procurement' is quite stubborn in that government financing logic does not necessarily support the most energy efficient and long term cheapest solutions.