



**EUROPEAN COMMISSION**

**PRESS RELEASE**

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## **Tajani in London to present an action plan for the fashion and high-end industries and to deliver a lecture at the *London School of Economics***

Tomorrow, the Vice President of the European Commission responsible for Industry and Entrepreneurship, Antonio Tajani, will be in London for a lunch with representatives of the fashion and high-end industries. In the afternoon he will hold a master class at the London School of Economics.

### **Action Plan for the fashion and high-end industries**

Tajani will participate in a working lunch with representatives of fashion and high-end industries to present an action plan in support of these sectors. In particular, the action plan is meant to respond to challenges such as strengthening competitiveness in a global world, fighting against counterfeiting, protection of intellectual property rights, and access to finance and international markets.

This action plan is the result of an intensive dialogue between the Commission and representatives of the industry which took place in a series of meetings held in Brussels, Madrid, Milan and Paris this year.

Among those attending the lunch, there will be the chiefs of Harrods, Walpole British Luxury, Comité Colbert, Louis Vuitton, Altagamma, Christian Dior, Cartier, Hermès, Prada, Armani Burberry, Church's, Harry Winston, in addition to European and national associations of the sector.

The Spanish Minister of Industry, Energy and Tourism, José Manuel Soria, will also participate in the lunch. At the end of the event at 14:30, there will a press conference with the Vice President Tajani and the Minister Soria.

The day before the visit to London, Tajani said: "*The fashion and high-end industries can help Europe get out of the crisis by creating new jobs. The success of these sectors is evidence on how we can compete globally focusing on quality and creativity. However, to achieve this, it is necessary to strengthen the fight against counterfeiting, the protection of intellectual property and to invest more in innovation*".

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## **Intervention at the London School of Economics**

During the lecture, Tajani will present his vision of a more friendly industry, which focus on a renaissance of manufacturing through an industrial compact to assist the fiscal compact with the objective to get out of the crisis and boost competitiveness.

*(The speech at the LSE will be published on RAPID tomorrow in the afternoon)*

## **Background**

### **Economic importance of the fashion industry**

With more than 850 000 companies and 5 million jobs, the fashion industry currently accounts for 3% of EU's GDP. Furthermore, Europe's high-end products account for 10% of total EU exports and provide one million direct jobs. Bolstering the fashion and high-end industries is an important part of the European Commission's efforts to increase the share of industry in the GDP to 20% as set in the Europe 2020 strategy.

The measures aimed at strengthening the competitiveness of fashion and high-end products are part of a strategy to be presented at the European Council in February 2014, which will be dedicated to strengthening Europe's overall industrial competitiveness.

## **Action Plan**

The Action Plan outlines **initiatives in eleven areas**:

### **1. Cooperation between industry, education and vocational training**

Better understanding and anticipation of the skills needed is crucial to ensuring the availability of the necessary skills in the future. The plan foresees better coordination of existing instruments in this field as well as more interaction between industry and education. It also emphasizes the importance of the [Erasmus for Young Entrepreneurs](#) programme which gives entrepreneurs who start a business a chance to learn from more experienced entrepreneurs in other Member States.

### **2. Raising young people's awareness about career opportunities**

The fashion and high-end industries offer diverse career opportunities, be they in retail, design, manufacturing or marketing. Attracting more young people is crucial for the long term competitiveness of these industry sectors. The action plan emphasizes the importance of initiatives aimed at raising awareness amongst young people about the career pathways and opportunities in fashion and high-end, as well as promoting traditional skills and crafts. For example, the Commission is developing a [European Alliance for Apprenticeships](#), a multi-stakeholder initiative aimed at helping improve the quality and supply of apprenticeships across the EU.

### **3. Supporting ICT innovative solutions**

The fashion and high-end industries are pioneers in terms of producing, using, and distributing content as well as engaging their users. Therefore, the plan outlines the importance of initiatives designed to help them exploit possibilities offered by innovative information and communication technology solutions. Hundreds of companies have already benefited from **the eBIZ initiative**: supported by the Commission, it helps textile, clothing and footwear companies to use ICT and to better integrate it in their

value chains. Further action is needed to raise awareness amongst industrial managers and policy makers on the existence and benefits of this project.

#### **4. Fostering creativity**

Adding new functionalities, design or other creative content allows companies to move towards more innovative, high-added value products and new business models, securing their long-term competitiveness. Therefore, an important part of the action plan are initiatives aimed at stimulating enterprises' creative efforts. Amongst them, '**Worth Pilot Project**', aims to increase design and other creative content in the fashion industry. Taking into account the experience and lessons learnt from the pilot initiative, the 'Worth Project' will continue from 2016 onwards under the new COSME programme ([IP/13/1135](#)).

#### **5. Supporting the development of clusters**

Fashion industries have traditionally shown strong geographical concentration in clusters, which provide a fertile business environment for companies, especially SMEs, to collaborate with research and education institutions, suppliers, customers and competitors. The Commission has been supporting cluster excellence through the [European Cluster Alliance](#), a transnational cooperation between cluster organisations. Further actions to develop cluster excellence will focus on supporting cluster development through programmes such as [COSME](#) and the Structural Funds.

#### **6. Fighting against counterfeiting**

The global market of counterfeit goods is worth more than € 200 billion, and according to some estimates it could double by 2015. Fashion and high-end products account for the largest share of all counterfeit goods: in terms of value they comprised over 50% of the detentions registered by European customs in 2012. In 2013 the European Commission launched a **campaign to raise consumer awareness** about the dangers of fake goods and to promote closer cooperation between the Commission, national authorities, industry and consumers. The action plan proposes further initiatives such as strengthening communication with consumers and national authorities through events promoting the '[Stop Fakes](#)' campaign in Member States.

#### **7. Strengthening SME support and internationalisation**

New export markets are opening up for fashion and high-end goods, also creating new opportunities for SMEs. Meanwhile, when operating in third-country markets, maintaining an appropriate framework of intellectual property protection is of great importance. The action plan outlines several initiatives, such as the [IPR SME Helpdesks](#), aimed at providing companies with further support and practical understanding of the intellectual property protection systems in key export markets.

#### **8. Improving access to finance**

Fashion SMEs systematically face difficulties in obtaining loans. This situation is even more difficult in the current period of economic crisis. The new **COSME and Horizon 2020 programmes** will offer funding in support of innovative and creative ideas, including in the fashion and high end industries. These programmes will make € 4 billion available in loan guarantees and equity facility to improve access to finance.

#### **9. Strengthening dialogues with key trade partners**

Many European fashion and high-end companies strongly rely on exports, especially to markets such as China, Brazil, India, Japan, Russia and the USA. High-end industries alone export over 60% of their production outside Europe. It is critical for them to obtain improved access to key markets, notably through the negotiation of Free Trade

Agreements. Thus, the Commission's ['Missions for Growth'](#) will be continued, with the aim of strengthening cooperation with third countries in key policy areas and helping companies go international. Over 600 industry representatives, including those from fashion and high-end, have already participated in these missions. In 2014, new initiatives will include launching a call in the framework of COSME for actions aimed at reducing barriers to trade and investment, helping European business gain better access to key markets and improving the business environment with partner economies.

#### **10. Assessing the feasibility of leather labelling**

The European leather sector faces problems related to products that are fraudulently labelled as leather or are counterfeit. Some products may also be labelled using the term 'leather' inappropriately. Misleading and fraudulent labelling are not only detrimental to businesses but also to consumers who are not correctly informed. The European Commission is addressing this particular challenge by assessing different policy options, including the possibility of introducing an authenticity [leather labelling system at the EU level](#).

#### **11. Attracting tourists to Europe**

The tourism, fashion and high-end industries are highly interconnected, and the figures confirm this trend. For example, in 2011 in the United Kingdom foreign visitors spent more than £ 4 billion in shops and over half of this they spent on fashion and high end personal goods. Planned initiatives will aim at raising tourists' awareness of Europe's unique heritage, niche markets, local products and crafts. For example, in 2014 a call will be published to form a new **European tourist route involving the fashion and high-end industries**, such as a "route of perfumes" or a route of "arts and crafts". The European Commission is also working on [visa facilitation measures](#) to attract more tourists to Europe.