

*Letter dated:*  
Rome, 27 October 2009

*From:*  
The Secretary General of the Senate

*To:*  
Mrs Catherine Day, Secretary-General of the European Commission, Brussels

Ref.: 131/UC

Please find attached the text of the opinions of the European Union Policies Committee of the Senate of the Italian Republic concerning the following:

- Communication from the Commission to the Council and the European Parliament - Communication on nuclear non-proliferation (COM/2009/0143 final);
- Communication from the Commission – 'Responding to the crisis in the European automotive industry' (COM/2009/0104 final);
- Proposal for a Council framework decision on the right to interpretation and to translation in criminal proceedings (COM/2009/0338 final).

Encl.: 3

## **Opinion of the 14th Standing Committee (European Union Policies)**

(Drawn up by: Mauro Maria MARINO)

Rome, 2 July 2009

Opinion concerning the Community act:

### **Communication from the Commission – 'Responding to the crisis in the European automotive industry' (COM/2009/0104 final) (Community act No 36)**

Having examined the Community act in question, the Committee,

Whereas the Communication provides a full examination of the situation in the European Union automotive sector and identifies the most appropriate political and legislative instruments for responding to elements of the crisis and of the instability within the sector;

Whereas the crisis is linked to the widespread drop in demand, as well as serious problems in obtaining credit as reported by some sectors of the automotive industry, and to structural problems predating the economic crisis which are due to excessive fixed costs, excess production capacity compared to the potential market and strong price competition;

Whereas the forecasts for 2009 are for a further contraction in the vehicle market, while long-term global prospects remain very promising, given the probability of vehicle sales in emerging markets and the objective need for a total renewal of the vehicle fleet to meet the challenges of environmental sustainability and emission reduction targets;

Having regard to the wide range of instruments relating to State aid and connected to varying degrees to the European Economic Recovery Plan, with particular reference to the temporary framework for State aid measures to support access to finance; the guidelines for scrapping schemes; the Conclusions of the CARS 21 Mid-Term Review and the results of the Competitiveness Council of 5-6 March 2009, at which the governments of the Member States expressed substantial support for the European Commission's strategy,

Has adopted, within its area of competence, a favourable opinion with the following observations:

- the strategy outlined by the European Commission, which it broadly shares, must maintain a clear distinction between those measures intended to support demand and restore the availability of financing on reasonable terms and those intended to make structural adjustments in the automotive sector, aimed at modernising factories and studying new 'clean' technologies. While the first category of actions falls within the measures aimed at combating the economic crisis, and may therefore be applied across the board to all national sectors, the shape of the second category, aimed at avoiding breaches of competition, is determined by the pre-existence of structural problems and by the efforts already made by the automotive industries, which have been able to look ahead and take effective action;
- particular attention is to be paid to all measures aimed at mitigating the social costs of restructuring, and at promoting reskilling of the workforce. To this end, national

resources will need to be backed up by European funds where appropriate, making particular use of the special items of expenditure included in the European Social Fund and Globalisation Adjustment Fund;

- it is to be hoped that all initiatives aimed at providing a common framework of reference concerning national scrapping schemes can be speeded up, in order to ensure that national measures are perfectly standardised and do not give rise to forms of discrimination;

- finally, the Committee reiterates the need, in line with the points made by the Competitiveness Council of 5-6 March 2009, to maintain – and, if possible, subsequently increase – the high level of investment in research and development, with particular reference to the clean vehicles sector, with the aim of renewing the vehicle fleet, which remains the priority for relaunching the European automotive industry.

Mauro Maria Marino