



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank Camera Deputaților for its Opinion on the Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'A New Industrial Strategy for Europe' {COM(2020) 102 final}. The Commission welcomes the Camera Deputaților's support for the priorities of the strategy.

The new strategy aims to help Europe's industry lead the twin transitions towards climate neutrality and digital leadership, while driving Europe's competitiveness and its strategic autonomy at a time of moving geopolitical plates and increasing global competition. A deeper and more digital single market, upholding a global level playing field, working towards climate neutrality and a more circular economy, fostering innovation, skills and investments, will be essential to make this happen.

The objectives of the new industrial strategy remain valid in the COVID-19 context and guide the European Recovery Plan {COM(2020) 456 final} presented in May. To ensure the recovery is sustainable, inclusive and fair for all Member States, regions and cities, the Commission has proposed a new recovery instrument, NextGenerationEU, embedded within a revamped long-term EU budget.

Building a climate-neutral circular economy is an integral part of our industrial strategy. The Commission adopted on 11 March a new circular economy action plan {COM(2020) 98 final}, one of the main building blocks of the European Green Deal, Europe's new agenda for sustainable growth. The new action plan includes initiatives for the entire life cycle of products, from design and manufacturing to consumption, repair, reuse, recycling, and bringing resources back into the economy, and will be implemented in full cooperation with businesses, consumers and public authorities.

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Modernising and decarbonising energy-intensive industries is also a priority. The European Green Deal sets the objective of creating new markets for climate neutral and circular products, such as steel, cement and basic chemicals. For instance, the Commission adopted on 9 December a strategy for a sustainable and smart mobility {COM(2020) 789} with comprehensive measures for safe, sustainable, accessible, secure and resilient mobility. The Commission also published on 14 October its renovation wave strategy {COM(2020) 662 final} to improve the energy performance of buildings. It aims to enhance the quality of life for people living in and using the buildings, reduce Europe's greenhouse gas emissions, foster digitalisation and improve the reuse and recycling of materials. The Commission also presented on 14 October a new chemicals strategy for sustainability to boost innovation for safe and sustainable chemicals, and increase protection of human health and the environment against hazardous chemicals.

The Commission supports the cooperation between public authorities and industry to help industry develop the technologies to meet their goals, as has been done successfully in industrial alliances. Alliances can steer work and help finance large-scale projects with positive spillover effects across Europe, using the knowledge of small and medium sized enterprises (SMEs), big companies, researchers and regions to help remove barriers to innovation and improve policy coherence. The Commission launched in July the European Clean Hydrogen Alliance and the new Raw Materials Alliance in September.

The European Innovation Council, which will be fully launched in 2021, will also aim to make the most of Europe's strong research base. It will identify next generation technologies, accelerate their commercial application and help them support the rapid scale up of start-ups.

The single market also plays its part as a resilience generator and by incentivising innovation to make the most of economies of scale, speed and scope. Place-based innovation and experimentation are encouraged. This allows regions and cities to develop and test new solutions with SMEs and consumers, drawing on their local characteristics, strengths and specialisms.

Thanks to the single market, EU companies benefit from a springboard to compete globally. It stimulates competition and trade within the EU. By providing a common regulatory space and scale, the single market is the driver of competitiveness and facilitates the integration of companies of all sizes in European and global value chains. The Commission published in March the action plan for better implementation and enforcement of single market rules {COM(2020) 94 final}, putting forward concrete proposals to address obstacles that arise from violations of EU law. It also published the Single Market Barriers Report {COM(2020) 93 final}, showing the need to break down the barriers facing businesses when selling goods or more acutely when providing services cross-border.

Furthermore, European industry should not face unfair competition from competitors around the world that abide by different standards or principles. To further increase the focus on compliance and enforcement of the EU's trade agreements, the Commission appointed its first Chief Trade Enforcement Officer in July. Pursuing a model of open strategic autonomy for Europe, the Commission will make the most of its full toolbox of trade defence

mechanisms to uphold a global level playing field and will undertake a trade policy review to ensure the continuous flow of goods and services worldwide.

Competition brings the best out of our companies and enables them to stay competitive globally. The Commission is currently reviewing the EU competition framework, to ensure it is fit for the green and digital twin transitions. The Commission is looking at how current competition rules are applied, notably in relation to anti-trust remedies, and whether rules governing horizontal and vertical agreements and the market definition notice are still fit for purpose. It will also look at how to improve case detection and speed up investigations. The ongoing evaluation of merger control and the “fitness” check of various State aid guidelines are also part of this review.

The Commission shares the Camera Deputaţilor’s view on the key role of SMEs in Europe’s industrial fabric. The Commission will incentivise entrepreneurship and support SMEs to access finance, innovate and bring ideas to market. To help SMEs to lead the twin transitions, the Commission published in March ‘An SME Strategy for a sustainable and digital Europe’ {COM(2020) 103 final}.

The Commission agrees with the Camera Deputaţilor on the close relation between the industrial strategy and lifelong learning. As the twin transitions gather speed, millions of Europeans will have to upskill or reskill and new jobs will be created. Therefore, as announced in the new industrial strategy, the Commission has presented a new European Skills Agenda {COM(2020) 274 final} on 1 July.

A new pact for skills will mobilise resources and incentivise all relevant stakeholders to take real action to upskill and reskill the workforce, by pooling efforts and setting up partnerships supporting green and digital transitions as well as local and regional growth strategies.

The European Education Area will also support these efforts. The Commission issued on 30 September a new Communication setting out the means and milestones to achieve the European Education Area by 2025 {COM(2020) 625 final}. The Commission also presented on 30 September a digital education action plan {COM(2020) 624 final}, proposing a set of initiatives for high quality, inclusive and accessible digital education in Europe to support Member States, education and training institutions and citizens in their efforts to adapt to the digital transition and help ensure a fair and inclusive recovery for all.

The Opinion of the Camera Deputaţilor will feed into the Commission’s development of measures to implement the new industrial strategy for Europe.

The Commission looks forward to continuing the political dialogue with the Camera Deputaţilor in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

*Thierry Breton
Member of the Commission*