

DRAFT PUBLIC CONSULTATION REPORT

Public consultation on the Industrial Policy Communication 2012

26 March 2013

European Commission

Directorate-General Enterprise and Industry

Unit A.4, Industrial Competitiveness for Growth



Disclaimer

The information and views set out in this report are those of the contributors to the public consultation and do not necessarily reflect the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein.

Table of contents

1. Executive Summary
2. Background
3. Methodology
4. Stakeholder Coverage
5. Stakeholders' recommendations
 - 5.1. SME-friendly business environment and entrepreneurship
 - 5.2 Access to finance and risk capital
 - 5.3 Technologies, standards, design and innovation
 - 5.4 Skills, restructuring and structural change
 - 5.5 Improving the Single Market
 - 5.6 ICT and internet access and cross-border sales
 - 5.7 Better and more consistent regulation
 - 5.8 Energy infrastructure and prices
 - 5.9 Environmental regulations
 - 5.10 Resource efficiency including recycling
 - 5.11 Energy and climate policies
 - 5.12 International market access and global competition
 - 5.13 Access to raw materials and raw materials prices
 - 5.14 Internal transport market

Annex 1 Respondents

Annex 2 Questionnaire

1. Executive Summary

On 16th May the European Commission launched a public consultation, open until 7th August, in view of the preparation of the **Industrial Policy Communication**, adopted in October 2012¹. This Communication aims at updating the 2010 Industrial Policy flagship by developing a limited number of initiatives, to contribute to economic recovery that can deliver substantial results in the short to medium term to contribute to economic recovery. The main objectives of this consultation were to involve stakeholders in identifying what policy priorities the European Commission should focus on and to gather recommendations on how to boost the competitiveness of European industries.

The public consultation generated 176 contributions from 20 Member States, 67 associations at EU level and one international organisation. Contributions were received from a wide range of stakeholders representing business organisations (53.4%), large businesses (16.4%), NGOs (7.3%), Member State administrations (3.4%), individual citizens (2.8%), SMEs (2.2%), and regional/local administrations (2%). With regards to the stakeholder coverage by sectors, respondents represented the manufacturing sector (47.7%), construction (15.9), utilities (6.2), other services (21%) and (34%) "other sectors".

Respondents welcomed the European Commission's initiative to launch a public consultation and involve stakeholders in the priority setting in view of the mid-term review of the Industrial Policy flagship.

The analysis both of the contributions submitted via the online questionnaire and via e-mail can be summarized as follow:

- **SME-friendly business environment and entrepreneurship.** Reducing administrative burdens and facilitating access to finance appear to be the leitmotiv of the majority of respondents. A SME-friendly business environment would also entail improved Impact assessments of new legislation taking better into consideration the specificities of SMEs and underpinned by more evidence-based assumptions after an enhanced stakeholder consultation. The "Think Small First" principle and "competitiveness proofing" should be implemented in all EU policy proposals with significant potential economic impact. More governmental and EU guidance on internationalisation and access to raw materials, as well as clearer tax legislation, clearer procedural requirements, a more effective public advice and support concerning regulations and their enforcement procedures, are considered essential preconditions to enable SMEs to contribute growth and innovation. In addition, more initiatives promoting entrepreneurship were suggested.
- **Access to finance and risk capital.** Several respondents believe that Europe must adopt a more advanced access to finance and risk capital policy and design new instruments to be able to invest in innovation and growth and thus to keep the pace of global competition. The reduced availability of bank loan and the increase in the cost of funding, together with revised capital requirements, will increasingly make European banks more risk-averse. Many corporates have already reacted to the

¹ COM(2012) 582.

new situation in the international financial markets by concluding committed credit facilities and medium-term note programs, despite quite costly. However, several respondents are concerned about regulatory developments such as Basel III, the Prospectus Directive and Solvency II the new rules regarding securities and markets, which would make the use of such structures more and more bureaucratic, expensive and unattractive. The issue of equity aversion in SMEs was also addressed by a couple of respondents, linked to their lack of willingness to share ownership and lose control of their companies to an external investor. Some respondents argued that the switch from loan bank financing to capital market financing would run against the European entrepreneurial tradition.

- **Technologies, standards, design and innovation.** A number of respondents stressed the importance of these issues to boost the competitiveness of European industry and facilitate SMEs' internationalisation. Europe needs to increase research and innovation investments to bridge a widening innovation gap with the US and Japan and to maintain the productivity lead with respect to emerging economies that are progressively improving their innovation capacity. Tax incentives for companies could be an instrument to boost R&D investment, as well as ensuring adequate funding of Horizon 2020 and national programmes. Moreover, Europe underinvests particularly in post-R&D activities, including R&D pilots and deployment of technologies and their associated commercialisation. A possible solution to the issue could be to adopt measures to stimulate access to specialised innovation finance. In addition, it was underlined that market demand for new innovative products and services is another key factor influencing the level and strategic orientation of R&D investments. Some respondents also stressed the importance of promoting European Innovation Partnerships and a deeper involvement of regional clusters in innovation policies. It was recognised that standards play a pivotal role as enablers for development, innovation, resource-efficiency and cross-border trade.
- **Skills, restructuring and structural change.** A number of respondents stressed the importance of education and training as fundamental prerequisites for innovation and for the effective transition to a knowledge-based economy. To underpin sustainable economic growth, Europe needs to ensure the sufficient future availability of a highly skilled and educated workforce, in particular by increasing the number of students with skills in Science, Technology, Engineering and Maths (STEMS). There are important labour-market mismatches to address. Some respondents noticed that the push for more labour force flexibility might result in a decrease of incentives to ensure the availability of skilled and motivated human resources. In order to face global competition and attract investment, there should be a unified EU labour law instead of a patchwork of different national laws, and labour costs should be reduced. Some respondents are concerned that EU funding is too focused on high-technology product innovation, while workplace innovation is inadequately addressed.
- **Improving the Single Market.** The accomplishment of a fully-fledged Single Market is precondition for the competitiveness of European companies, including in the global scenario. The vast majority of respondents stressed the importance of ensuring full implementation of existing single market rules as well as the application of a "Think Single Market first" principle to new legislation, especially in relation to newly emerging innovative markets. Intellectual property protection needs to be enhanced in terms of quality, costs, legal certainty and enforcement, in order to fully unleash R&D potential. Interventions would be appropriate also in the field of standards by facilitating and promoting

market-driven collaboration and strategic coordination of industries in standard-setting, to enable European companies to become standard setters rather than standard followers. Actions are perceived as needed also to make market surveillance more effective in ensuring that products imported in the EU are compliant with EU regulations (REACH requirements, IPR enforcement, environmental regulations, etc).

- **Information and communication technologies (ICT), internet access and cross-border sales.** A number of respondents highlighted the direct correlation between the use of ICT, productivity gains and growth. To stimulate the positive effects that technology can exert on the economy, more investments are deemed needed. Some respondents raised concerns over the budget foreseen for the industrial leadership pillar in the Horizon 2020 proposal which is the smallest among the three pillars. Furthermore, SMEs are concerned about the difficulties they encounter in using the R&D funds available at EU and national level due to complicated application procedures and to the lack of skilled research staff, partly because they are more attracted by big companies and partly due to the obstacles to the mobility of researchers in the EU.
- **Better and more consistent regulation.** A significant number of respondents stressed the importance of a coherent and predictable regulatory environment as an essential prerequisite to avoid excessive and unreasonable burdens for industries, as well as to ensure the predictability which business and investors need for long-term investments decisions. Better coordination and consistence among the different regulatory layers is perceived as of utmost importance. Regulations lacking coherence and imposing extra costs or burdensome procedures without being underpinned by a sound assessment of their impact on industries, are seen as a barrier putting at risk European competitiveness. In general, a number of respondents suggested that impact assessments should be always based on realistic assumptions and fully transparent calculation methods. They should contribute to integrate the industrial competitiveness dimension in all EU policies.
- **Energy infrastructure and prices.** A modern energy infrastructure is perceived as crucial for an integrated energy market and to enable Europe to meet its climate and energy goals. Energy networks must be upgraded, modernised and extended to facilitate the integration of renewable, ensure a fully functional internal energy market and improve security of supply. Massive investments in cross-border electricity interconnections and upgrades of national networks are perceived as urgently needed by a significant number of respondents. Some respondents' concerns focus also on the huge differences between Member States in infrastructure and pricing and the lack of interconnection to enable them to use energy surplus. Some respondents are concerned that only a limited amount of infrastructure investments identified under cohesion policy have been engaged through the current programming period.
- **Environmental regulations.** Several replies stressed the importance of greener production not only as key to address environmental challenges but also as a driver for resource-efficiency and enhanced competitiveness. Despite being sensitive to environmental concerns, respondents argued that further actions are needed at European level in order to achieve the aim of emission reductions while preserving the competitiveness of European industry. The current framework, characterised by strict sustainability requirements and power prices -that are the highest in the world-, is aimed at

stimulating investments on low-carbon solutions. Energy efficiency is seen as the main instrument to face this *de facto* competitive disadvantage. However to achieve incremental CO₂ reductions, breakthrough technologies are essential. High energy taxation might limit industries' ability to invest in cleaner technologies. Public intervention is needed to avoid negative net environmental impacts of the legislation and the loss Europe's attractiveness of as a business and investment location. A significant number of respondents called for the Commission to take countermeasures to compensate industries for the strict sustainability requirements and high compliance costs resulting from environmental regulations.

- **Resource efficiency including recycling.** The transition to a resource efficient and sustainable industry is crucial for boosting the competitiveness of European industry, stimulating research and innovation and meeting environmental goals. Currently, industrial processes are still not optimal in terms of energy efficiency. Investment in research and innovation is needed to reduce the use of materials in production and to foster substitution solutions as well as to improve cost-efficiency in recycling to produce high-quality recycled material stocks. A respondent stressed that the strategy for replacing non-renewable resources through technological processes should be further developed. Focus should also be on ensuring attractive framework conditions for companies to facilitate the transition to a green economy and to create incentives for using resources more efficiently. Policies targeting SMEs specifically would be appropriate as well as a deeper involvement of regional clusters as important innovation drivers. In general, any new EU policy on resource-efficiency and recycling should support European industry in maintaining its world leadership for products and technical solutions optimised for diverse criteria such as materials reduction, reduced energy consumption, and increased recycling.
- **Energy and climate policies.** The transition to a low-carbon economy and resource efficiency goes beyond the mere reduction of carbon emissions. Policies to encourage energy efficiency, innovation in the value chain, promote renewable energies, and incentivize research and development could potentially deliver more CO₂ emissions reduction. According to several respondents, significant investments are still needed to support this transition, in particular in more vulnerable regions. A significant number of respondents also highlighted the need to develop a coherent long-term energy policy that can provide the necessary infrastructure while safeguarding Europe's industrial competitiveness, energy security, quality of supply and affordable cost to society, without distorting the market. The fragmented nature of today's energy policy making in the EU and the Member States results in a lack of stability and predictability for long-term investments for energy providers and energy-intensive industries.
- **International market access and global competition.** Several respondents stressed the importance of a new industrial policy ensuring an international level playing field for industry, in particular with regards to the cost of production factors. They request a stable internationally competitive framework and a more offensive trade policy, aimed at improving access to foreign markets for European companies by removing existing trade barriers (e.g. tariffs and non-tariff barrier). The aversion of some major trading partners to reciprocally liberalise domestic markets towards EU products and services would make it essential for the EU to consider a stricter policy approach vis-a-vis those partners. A respondent suggested WTO dispute settlement mechanisms should be used to address

protectionist measures in important export markets, as well as a more pro-active application of the reciprocity principle with regards to international trade and public procurements.

- **Access to raw materials and raw materials prices.** Raw materials are essential for industrial production. Their availability and price influence the productivity and competitiveness of the EU industry. Securing their availability at affordable prices should be a priority for the EU and local governments. If prices of raw materials remain highly volatile businesses become distraught with uncertainty. Uncertainty in businesses means reduced investment and hence slow growth and employment creation. A number of respondents called the EU to address the causes of trade distortions and prevent them by establishing short and medium-term instruments and adopting stronger diplomacy actions. Trade agreements should put a stronger emphasis on raw materials. In addition, competition rules should be adapted to a scenario where certain organisations (some non EU domiciled) dominate many raw materials through a mixture of ownership and marketing arrangements to the extent that they have semi monopolistic positions in certain commodities.
- **Internal transport market.** More efforts and investments are perceived as needed by a significant number of respondents to create a true internal market in the area of transport. Key challenges are to ensure the competitiveness of industry and sustainable transport, overcome barriers in cross-border transport or infrastructures and foster the diffusion of technologies. An interoperable transport infrastructure with a European dimension is a pre-requisite for a well-functioning internal European market and an essential component of a growth strategy. Improved interoperability of technical solutions and intelligent transport systems are of crucial importance in order to use existing transport infrastructures more efficiently. Several respondents called on the EU to support R&D for new technologies in the transport sector (i.e. ITS) by increasing the funding of research programs and by promoting common standards. It was also highlighted the need to establish a level-playing field between the different transport modes, especially regarding infrastructure usage fees and energy costs.

2. Background

On 16th May the European Commission launched a **public consultation**, open until 7th August, in view of the preparation of the Industrial Policy Communication, adopted in October 2012². This Communication aims at updating the 2010 Industrial Policy flagship by developing a limited number of initiatives that can deliver substantial results in the short to medium term to contribute to economic recovery. The main objective of this consultation was to involve stakeholders in identifying what policy priorities the European Commission should focus on and to gather recommendations on how to boost the competitiveness of European industry.

As part of the Europe 2020 strategy, the **flagship initiative on An Integrated Industrial Policy for the Globalisation Era**³ contains 70 key actions. The implementation of these actions is already well advanced. For instance, the Commission is currently implementing "competitiveness proofing" through an in-depth assessment of the impacts of its new policy proposals with significant impacts on competitiveness and on SMEs. This has been the case for proposals such as the ETS State aid Guidelines to address the risk of carbon leakage and the Modification of the Capital Requirements Directive (CRD IV). In January 2012 the Commission published an Operational guide for assessing impacts on sectoral Competitiveness within the Commission impact assessment System.⁴

The Staff Working Document accompanying the "Industrial Policy Communication Update. A Contribution to Growth and economic recovery", adopted in October 2012, provides a detailed overview of the implementation of the 2010 Communication.

3. Methodology

Apart from 23 contributions received by email, all the replies were submitted via the IPM tool hosted by the Commission website "Your Voice in Europe" dedicated also to public consultations. The questionnaire was available in English, French and German. However, submissions were accepted in any official EU language. The respondents were requested to identify themselves and indicate their affiliation among the following categories: large business, SMEs, business organisation, Member State administration, regional/local administration, NGO and individual citizen.

The broad focus of the questionnaire design reflects the Commission's intentions to allow stakeholders to identify key areas for possible policy intervention and suggest options for changes, rather than to reply to narrow-focused issues. The themes covered were the following:

² COM(2012) 582.

³ COM(2010) 614.

⁴ SEC(2012) 9.

- SME-friendly business environment and entrepreneurship
- Access to finance and risk capital
- Industrial innovation and technologies policy
- Skills, restructuring and structural change
- Improving the Single Market
- ICT, internet and cross-border sales
- Better and more consistent regulation
- Energy infrastructure and competition
- Internal transport market
- Environmental regulations
- Resource-efficiency and recycling
- Energy and climate
- International market access and global competition
- Access to raw materials

The respondents were asked to select up to three priority areas and reply to the following questions⁵:

- How can businesses themselves better respond to these issues?
- What can policymakers do to address the issues at Member state, local or regional level?
- What can policymakers do to address the issues at EU level?

With regards to the general consultation methodology, the contributions received via the IPM tool were extracted and summarised using a common template. Replies were then grouped and analysed by priority areas. DG ENTR has made an effort to reflect carefully and precisely the original messages of the respondents.

⁵ With regards to the area "Internal transport market", more specific questions replaced the general above-mentioned ones. Please see the text of the questionnaire in Annex 2.

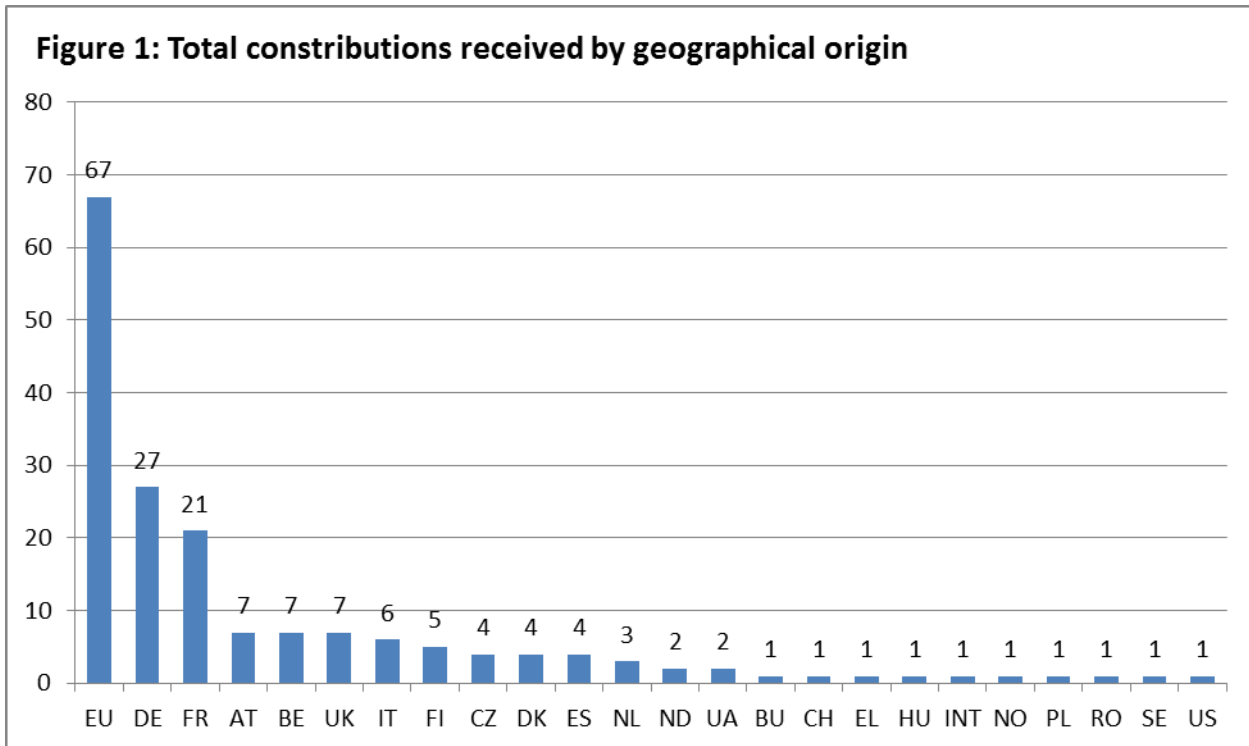
4. Stakeholder Coverage

The public consultation generated 176 contributions from 20 Member States, 67 associations at EU level and one international organisation. Contributions were received from a wide range of stakeholders representing business organisations (53.4%), large businesses (16.4%), NGOs (7.3%), Member State administrations (3.4%), individual citizens (2.8%), SMEs (2.2%), and regional/local administrations (2%). With regards to the stakeholder coverage by sectors, respondents represented the manufacturing sector (47.7%), construction (15.9%), utilities (6.2%), other services (21%) and (34%) "other sectors". The following tables show the self-declared affiliation of survey respondents:

	<i>Number of replies</i>	<i>% of total replies (176)</i>
Large business	29	(16.4%)
SME (less than 250 employees)	4	(2.2%)
Business organisation	94	(53.4%)
Member State administration	6	(3.4%)
Regional/local administration	5	(2%)
Non-governmental organisation (NGO)	13	(7.3%)
Individual citizen	5	(2.8%)
Other	22	(12.5%)

	<i>Number of replies</i>	<i>% of total replies (176)</i>
Manufacturing	84	(47.7%)
Construction	28	(15.9%)
Utilities	11	(6.2%)
Other services	37	(21%)
Other	61	(34%)
Not relevant	12	(6.8%)

The geographical coverage was not evenly distributed with high participation from France, Germany and business organisations at EU level. Figure one shows the geographic distribution of respondents.



5. Stakeholders' recommendations

The table below shows the priority areas identified by respondents who submitted their replies via the online questionnaire. For the replies submitted via email, it was not possible to draw statistics on the selected top priorities because or they presented general recommendations or they did not focus on the covered areas or more than three priorities were selected. It has to be taken into account that up to three priorities could have been chosen by each respondent.

	<i>Number of replies</i>	<i>% of total replies submitted via the online questionnaire (153)</i>
SME-friendly business environment and entrepreneurship	28	(18.1%)
Access to finance and risk capital	33	(21.3%)
Technologies, standards, design and innovation	49	(31.6%)
Skills, restructuring and structural change	25	(16.1%)
Improving the Single Market	28	(18.1%)
ICT and internet access and cross-border sales	6	(3.9%)
Better and more consistent regulation	45	(29%)
Energy infrastructure and prices	24	(15.5%)
Environmental regulations	20	(12.9%)
Resource efficiency including recycling	36	(23.2%)
Energy and climate policies	48	(31%)
International market access and global competition	49	(31.6%)
Access to raw materials and raw materials prices	31	(20%)
Internal transport market	1	(0.6%)
Other	10	(6.5%)

5.1. SME-friendly business environment and entrepreneurship

The majority of respondents who selected this as a priority area stressed that the achievement of a fully-fledged Single Market is one of the most important pre-conditions for a SME's friendly business environment and that it should be among the top priorities of EU policymakers. Reducing administrative burdens and facilitating access to finance appear to be the leitmotiv of the majority of the respondents as well. A SME-friendly business environment would also entail improved Impact assessments of new legislation taking better into consideration the specificities of SMEs and underpinned by more evidence-based assumptions after an enhanced stakeholder consultation. Several respondents believe that the "Think Small First principle" and the "competitiveness proofing" tool should be implemented in all EU policy areas with potential economic impacts. More governmental and EU guidance on internationalisation and access to raw materials, as well as a clearer tax legislation, clearer procedural requirements, a more effective public advice and support concerning regulation and their enforcement procedures, are considered additional essential preconditions to enable SMEs to contribute to the strengthening of the European economy through growth and innovation. In addition, more initiatives to foster entrepreneurship were suggested.

On “**how businesses could better respond to the issue**”, a number of respondents suggested that SMEs should federate themselves in international consortia or networks in order to identify common solutions to common issues (for example, in order to call for a dedicated banking actor, or governmental support in addressing their intellectual property right issues). Existing companies could provide mentoring to new businesses and entrepreneurs. As far as policymakers at Member state, local or regional level are concerned, they should ensure a swift application of the Small Business Act. A number of respondents also expect public authorities to better shape framework conditions by reducing administrative burdens, expediting justice procedures and facilitating access to finance without focusing only on some categories of SMEs. Local and regional administrations should provide guidance and information to businesses and consumers, notably when legislation is adopted at the EU level. Facilitating and fostering cooperation by adopting cluster policies was also suggested.

Furthermore, some respondents called on SMEs centers and national contact points to be more proactive in reaching out SMEs. Cheaper patents would help SMEs invest more in innovation. A database illustrating the achievements of SMEs at national level might provide incentives for better performance for the benefit of the whole European economy.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Facilitating access to finance
 - The future structural funds (2014-2020) should include all regions and simplifications are needed so that private companies can take part more easily in the programs.
 - A number of respondents report that the European Investment Fund is not able to successfully reach a significant part of SMEs, as it is alleged to focus only on “high/green/clean tech SME and to forget the normal SMEs that are the real drivers of the overall growth”.

- The Commission should strengthen the role of the Enterprise Europe Network (EEN) as a screening filter for submitted project proposals. New tools to maximise the link between EEN and regions managing structural funds needs to be defined.
- Improving Impact assessments of new legislations by taking better into consideration the specificities of SMEs and by collecting more sound and scientific evidence underpinning their assumptions through an enhanced stakeholder consultation.
- Reducing red tape and administrative burdens. By way of example, REACH requirements were considered particularly burdensome for SMEs.
- Introduce *ad-hoc* legislation and pro-active policies to promote entrepreneurship (tax policies, administrative policies, etc.)
- Stimulating research in innovative and sustainable production methods and stimulating a consumption model tending to non-polluting products in order to enable European industries to better face international competition.
- Facilitating and fostering cooperation by adopting cluster policies and creating technological poles to foster better entrepreneurial eco-system.
- Provide fuller recognition of the important role played by the social economy sector, in particular by creating dedicated financial instruments

5.2 Access to finance and risk capital

The main message that emerged from the replies that selected this theme as a priority was that Europe must adopt a more advanced access to finance and risk capital policy and design new instruments to be able to invest in innovation and growth and thus to keep the pace of global competition. A significant number of respondents, in fact, argued that the reduced availability of bank loan and the increase in the cost of funding, together with revised capital requirements, will increasingly make European banks more risk-averse. Many corporates have already reacted to the new situation in the international financial markets by concluding committed credit facilities and medium-term note programs, despite quite costly. However, several respondents are concerned about recent political initiatives such as Basel III, the Prospectus Directive and the new rules of the European Securities and Markets Authority (ESMA), which would make the use of such structures more and more bureaucratic, expensive and unattractive⁶. Consequently, many businesses have to turn to alternative sources of financing, such as securitization and supply chain financing, which are considered by some respondents more cumbersome to implement and more expensive.. To minimise the impact of the implementation of Basel III by CRD IV, some respondents consider that it would be appropriate to ensure tax neutrality between equity and debt, which

⁶ According to some respondents, Basel III rules could significantly drive the cost of committed credit up, making this instrument not affordable to business. This could potentially dampen financial resources for risky investments. ESMA recommendations on the Prospectus regulation published in March 2011 (ESMA/2011/81) make it extremely burdensome for oil and gas companies to issue debt securities to retail investors (compulsory competent persons report). The revised Prospectus Directive (2010/73/EC) was intended to reduce administrative burden, but in fact it requires corporates to completely change the structure of their existing medium term note programs; moreover it was implemented inconsistently and extremely late on national level, which make difficult to fully understand such rules.

is not currently the case in most EU countries where the taxation of income from equity is harsher than from debt.

The issue of SME's aversion to go public was also addressed by a couple of respondents, in connection with their lack of willingness to share ownership and lose control of their companies to an external investor. Some respondents argued that the financing system switch from loan bank financing to capital market financing (Basel II and III) would run against the European entrepreneurial tradition. The issue of access to finance for SMEs appears also critical with respect to their internationalisation: most SMEs in fact lack financial, as well as organisation capacity, to penetrate third markets alone.

While there was unanimity among the respondents on the problem definition, there were divergences of view with regards to possible solutions and, in particular, to the role of banks. Some suggestions focused on how to improve the banking system in order to facilitate access to finance, some stressed the need of non-banking alternatives. A respondent suggested creating a banking system dedicated to SMEs, while another reply stated that "*Banks are part of the problem - not part of the solution*".

A respondent representing an important bank suggested that **business** should have balanced financial structures with contained debt and higher levels of equity capital. Firms should avoid excessive dependency on short term credit and diversify their external financing sources (bond issues, securitizations, etc). Banks should help increase awareness among companies that a radical change of their financial structure is necessary. Some respondents suggested companies should examine financing alternatives such as venture capital, mezzanine instruments, factoring and leasing to enable them to respond to effects resulting from financial market regulation (stricter requirements for the granting of loan and rising credit costs).

Among the possible business-driven initiatives that could be adopted to facilitate access to finance, a number of respondents suggested that SMEs should bundle their funding needs with other companies to minimize risk towards banks and gain broader access to heavy investors. This cooperation should also include partnerships with universities and research centres to boost the research component of their assets. Furthermore, businesses could provide guarantees for credit access through consortia. Advice and support would be needed to help businesses better advertise their needs for funds to make the finance response more global and fluid. SMEs could also cooperate with relevant larger companies for which they could act as sub-suppliers once their service or products have been commercialized, offering the larger company discounts in exchange of their investment. Moreover a respondent suggested that the fact that a solvent large company, industrial sector or the public sector has demanded a given product or service (with a written statement) could be considered as a guarantee for banks.

Some replies called on **policymakers at Member state, local or regional level** to introduce more flexible and investor-friendly regulations and decrease restrictions on capital mobility. Different national, administrative regulatory, employment and tax rules in fact disincentive cross-border investment. Exchanging best practices, where appropriate, could improve the quality of transposition and enforcement. They should also play an active role in developing new instruments to facilitate access to finance. A respondent suggested Partnership contracts should be signed between Member States and the EU that set goals to be achieved by Member States within the Multiannual Financial Framework 2014-

2020. This could be used to assess the performance of Member States' implementation of EU policies. They could develop risk mitigation tools by providing loans, guarantees or co-financing. State aid could be **necessary to develop breakthrough** technologies. Fiscal incentives to private investments in start-ups would encourage the establishment of new business. A respondent suggested that, in identifying possible solutions, policymakers should not overlook the whole value chain finance.

A significant number of respondents called on **policymakers at EU level** to develop a clear, predictable and stable regulatory framework to reduce the risk for long term investors. The EU has a role to play to promote the use of Public-private partnerships (PPPs) as they create the possibility to share responsibility between private and public sector PPP are a real risk mitigation tool. The EU could encourage a greater involvement of the EIB: promoting PPPs, establishing new financial instruments and improving finance for innovation.

A summary of other stakeholders' recommendations with regards to EU policymakers' role is summarised below:

- **EU financial instruments:**

- Strengthening coherence and synergy between EU financial instruments (Horizon 2020, COSME, Structural Funds, etc) within the framework of regional innovation strategies based on smart specialisation
- Developing a common framework covering all the EU financial instruments that harmonises requirements and eligibility criteria, procedures for submitting a project and for its financial control
- Increasing the budget allocated to the COSME Programme. Some respondents believe that the current budget is not adequate considering the difficulties encountered by SMEs in participating to FP7 projects.
- Simplifying the application procedures for EU support programmes to make them more accessible to especially to SMEs
- In view of the forthcoming EU Financial Framework, the new EU facilities should be designed together with potential intermediaries from the very beginning, in order to avoid conflicts with national regulations or duplication with already existing instruments
- Setting up a task-force between the EIB and private banks focused on the fine-tuning of the RSFF
- Making sure that cohesion and structural funds support green projects as a priority.

- **Basel II and III rules:**

- Basel II must be implemented globally in all the important financial centres to avoid distortion of competition. Contrary to US, in Europe Basel II rules are not only applied to banks operating internationally, but also to smaller and medium-sized banks.
- The impact of Basel III rules on the accessibility of manufacturing SMEs to bank credits should be reviewed and compensatory measures should be taken.

- Basel III should be implemented without penalising SMEs. This includes structuring the equity capital requirements for SMEs loans, short and long-term liquidity ratios, as well as the planned maximum debt limit.
- Ensure a staged transposition of the Basel III requirements. There are countries which are introducing Basel III requirements more quickly than required which means that banks are facing liquidity issues as they seek to reinforce their capital base. This leaves less money available for trade credit and working capital
- Taking steps to promote easier access to trade credit, as traditionally used by companies, rather than shift to capital market instruments which dilute the equity positions of entrepreneurs. Consider separating retail banking from investment banking in order to facilitate this move.
- EU state aid rules should give better support to SMEs and start-ups. In relation to loans to start-ups, the reference rate should not be above that for companies in difficulty.
- Ensuring that the Regulation on European Venture Capital Funds is implemented without delay.
- Reducing the risk-weights for lending to SMEs as supported by the European Parliament in the context of the review of the Capital Requirements Directive (CRD IV). Lower capital requirements would give banks a greater incentive to grant loans to SMEs.
- The EIB should make more dedicated global loans available for financial institutions. This would enable investment projects that would otherwise be aborted due financial difficulties experienced by local banks, to be carried out. It is essential that the lending funds resulting from the current EIB 10 billion capital increase be allocated to SMEs
- Setting up a Banking Union in the form of an integrated supervisory system of banks, an EU deposit guarantee scheme, an EU resolution fund able to provide immediate financial assistance to Member states in difficulties and a backstop mechanism able to directly recapitalise banks
- Removing burdens preventing SMEs from issuing bonds and ensure the same fiscal treatment as for listed companies
- Creating an online investment marketplace and disseminate information on access to funding and available supporting institutions (by for example using Enterprise Europe Network)
- Designing EU innovative financial instruments together with potential intermediaries
- Setting up a stock exchange specifically dedicated to SMEs
- Encouraging SME to loan aggregation vehicles and provide guarantees to lenders. This may have implications for the EU rules on state aid.
- Fostering the growth of business angels and Venture Capital (VC) finance through tax incentives and, at the same time, creating a level playing field within the EU for VC and business angel investment in SMEs.
- Addressing issues affecting Venture Capital finance. While the forthcoming European legislation on VC funds represents a relevant improvement in regulatory terms, practical issues such as different tax treatments of VC in different member states will remain, with many member states' tax regimes weighted in favour of debt financing.
- Exploring the creation of an agency to lend directly to SMEs and/or pool SMEs loan in order to facilitate SME access to the public corporate bond market (a feasibility study has been launched by the UK Government)

- Investigating further on best practice examples like the German government-owned development bank. KfW. Using securitization platforms has helped commercial banks to transfer loan risks from SME portfolios to the capital markets, thereby giving credit institutions more scope to give more SME loans. In cooperation with the European Commission and the Council of Europe Development Bank (CEB), KfW also provides “Global Loans” to European commercial banks to help them finance SMEs on attractive terms. This government-backed scheme has proven to be effective in channelling cheap funds to SMEs during the current economic downturn and represents a model that could be successfully adopted elsewhere, although it might require changes to EU state aid rules.
- Adopting measures to make investors more aware of the opportunities offered by SMEs.
- Improving awareness about and the attractiveness for financial intermediaries/banks of EIB/EIF programs and EU financial instruments.
- Addressing the lack of information on financing options which hinders businesses’ access to finance. SMEs are often unaware of all the funding options available and of the steps required in order to access funds. This issue can be addressed at the local and regional level, but the EU also has an important role to play in initiating and supporting information and education campaigns.
- Improving and expanding access to loan guarantees for SMEs through strengthened loan guarantee schemes, well beyond what is currently offered in the framework of the Competitiveness and Innovation Program (CIP program) and the Structural Funds (JEREMIE program).
- Putting forward a proposal for a European framework for issuing corporate bonds for small and medium sized enterprises. This can contribute to developing the Single Market for venture capital further.
- Relaxing the state aid rules regarding certain forms of state to encourage lending to SMEs.
- EU institutions should encourage the development of a wide variety of alternative sources of debt and equity finance in order to maximize the choice of financing channels available to companies.
- Creating a banking system dedicated to SMEs.
- Reinforcing the internal market in financial matters. The strengthening of the European Investment Bank should make it possible to broaden the diversity of loans offered and equity finance for SMEs.
- Creative solutions that were launched in the Commission Action Plan for the financing of SMEs should be strengthened, for example, by promoting the issuance of bonds by SMEs.

5.3 Technologies, standards, design and innovation

Thirty-one % of respondents stressed the importance of these areas to boost the competitiveness of European industry and facilitate SMEs' internationalisation. Europe needs to increase research and innovation investments to bridge the increasing innovation gap with the US and Japan, while emerging economies are progressively improving their innovation capacity. Tax incentives for companies could be an instrument to boost R&D investment, as well as ensuring the adequate funding of Horizon 2020 and national programmes. Moreover, Europe underinvests particularly in post-R&D activities, including R&D pilots and deployment of technologies and their associated commercialisation. A possible solution to the issue could be to adopt measures to stimulate access to specialised innovation finance. Additionally, it was underlined that market demand for new innovative products and services provide incentives and strategic orientation to R&D investment. Some respondents suggested extending the EU ‘Lead Market Initiative’ to additional sectors as well as focusing more on demand-side policy and to the

deployment of innovation rather than only on development of innovation. In particular, respondents believe that there seems to be a limited focus so far on policies aiming specifically at low-carbon innovation.

Several respondents also stressed the importance of promoting European Innovation Partnerships and a deeper involvement of regional clusters in innovation policies. Innovation should be considered in its complexity beyond the mere technological innovation. In addition, innovation policy should not only support R&D but the full innovation chain (product development, demonstration, marketing, standards development, advanced manufacturing, public procurement).

It was recognised that **standards** play a pivotal role as enablers for development, innovation, resource-efficiency and cross-border trade.

According to some respondents, **European businesses**, especially SMEs, must be aware that unless they introduce innovations in their manufacturing and commercial processes they will not be able to face global competition. Companies, which are perceived as the biggest contributors to financing research and development, should create a local innovation network with universities and high schools. They should also enhance integration of the value chain partners in their innovation pathway to better align the results to the market needs.

Policymakers at Member state, local or regional level should improve the conditions for private R&D&I investments and identify promising technologies and encourage the development of sectors of excellence and clusters that could create sustainable and qualified jobs in local territories. Member States should orientate EU funds towards the development of such clusters, as well as to promote science education and attract scientists from other continents, though, for example, simplified procedure to obtain residence permits. They should also force the digital transformation by promoting the use of ICT (e-Government), the public health sector and the procurements conditions and by stimulating the further roll-out of fast internet. More investment in R&S, training, education is perceived as needed. At regional level it is important to develop methods and systems to increase the knowledge dispersion between the Universities and the business sector, in both directions. Regional universities play an important role to stimulate regional competitiveness by moving towards more demand-driven research and by supporting innovation in knowledge-intensive SMEs.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Horizon 2020:
 - Horizon 2020 should include sector specific innovation support systems, including facilities to stimulate investment in large-scale pilot and demonstration plants.
 - Creating a better synergy between the Cohesion policy instrument, focusing on capacity building, and Horizon 2020, focusing more on excellence and so remove obstacles to use the two alternatives for a common use.
 - Ensuring adequate funding of Horizon 2020 (minimum €80 bn proposed)

- EU funded project proposals which include their expected commercial developments and their business plans should receive a higher score in the evaluation process. This would minimise the risk that research projects funded under the FP7 will not survive once the financial support expires and innovation fail to enter the market and attract additional public and/or private funding. The structure of the project proposal should also take into account from the onset also private investors' criteria (i.e. forecasting the probability of a private investment going from the R&D phase financed by to grant to the commercialisation phase)
- Setting up a regulatory framework encouraging fiscal incentives for RDI investment and harmonizing national legislations
- Fostering public procurement as a crucial R&D&I enabler (especially in the case of pre-commercial public procurement) both through regulatory measures and through the new instrument built on the US SBIR model put forward by the Horizon 2020 Communication.
- Supporting close-to-market activities such as demonstration projects or pilot lines through PPPs; ensuring efficient, result/market oriented European Innovation Partnerships.
- Setting a common EU patent standards to avoid disparity among Member States
- On standards:
 - Ensuring closer cooperation between the Europe Enterprise Network (EEN), CEN and CENELEC to enhance support for SMEs
 - Encouraging business to participate in standardization activities, including at global level. Organising the twinning programs to train third-country participants in international standardization work
 - Facilitating the development of standards for bio-based products. The current absence of standards hinders the market uptake of bio-based products, both in consumer markets and in public procurement.
 - Competition law should not be an obstacle to the standardization processes. In particular in industries, where companies must interoperate not only in Europe but internationally, the need for standardization cooperation among competitors should be understood and supported by the competition authorities.
- Putting more emphasis on the importance of broadband infrastructure development.
- Increasing public funding for demonstration projects.
- Setting up a Public Private Partnership for bio-based industries to set more ambitious goals in terms of reducing the time-to-market and, for industries, to adopt long-term investment plans taking into account the market perspective.
- Modernizing State aid rules to allow Member states to support innovative products development up to the level necessary to overcome the severe market failures and risks that hinder the industrial deployment of large-scale operations.
- Developing big European projects in areas of common interest.
- Find new tools to commercialize the results from the research development carried out in both universities and in companies.

5.4 Skills, restructuring and structural change

Respondents stressed the importance of education and training as fundamental prerequisites for innovation and to continue the effective transition to a knowledge-based economy. To underpin sustainable economic growth, Europe needs to ensure the future availability of a highly skilled and educated workforce, in particular by increasing the number of students with skills in Science, Technology, Engineering and Maths (STEMS). There are important labour-market mismatches to address. Some respondents noticed that the push for more labour force flexibility might reduce incentives to ensure the availability of skilled and motivated human resources. As it is becoming a major problem to find enough skilled staff, non-EU workers are increasingly often hired as a short-term solutions. This might result in a “know-how” leakage when they come back to their countries.

In order to face global competition and attract investment, a respondent suggested there should be a unified EU labour law instead of a patchwork of different national laws, and labour costs should be reduced. Some respondents are concerned that EU funding is too focused on high-technology product innovation, with workplace innovation inadequately addressed.

It has been suggested that **European businesses** should set up networks of enterprises for training in order to reduce costs. In order to facilitate earlier exposure to industry and enhance cooperation among industry and academia, it was suggested that business should: facilitate the exchange of information about needs and expectations; approaching competent authorities for approving programmes, providing internship positions, stimulating workers to lecture at universities, training managers to better understand university education. Employers could help shape the content of educational courses and qualifications. In addition, effective restructuring and structural change could provide European business with the competitive advantage they need to face global competition. Large business, together with banks and social partners, could support the redundant employees in setting up new businesses, offering specifically designed financial products, consultancy services and business contacts and opportunities. The European Social Fund could be a tool to increase the availability and the quality of requalification training.

To underpin sustainable economic growth, several respondents believe that **Member States** should ensure the future availability of a highly skilled and educated workforce, in particular, by modernising their education systems and increasing the number of students with skills in science, technology, engineering and maths. They should also adapt education systems to the current needs emerging from the labour market. Policymakers at local level should find ways to strengthen the links between the regional education system and regional businesses; support industry-academia cooperation to align higher education with market needs and to facilitate the opportunity for students and research to conduct studies in industry; collect information from industry in establishing new study programmes; stimulate systems for working staff to lecture at university; support mobility of employees between sectors. Moreover, respondents called on policymakers at national level to provide the infrastructure and research and innovation facilities needed.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- European Structural Funds and the EFG fund should be reinforced in order to allow regions to help SMEs and training bodies to focus their cooperation for a more inclusive job market.
- Developing an EU Agenda for manufacturing skills to identify skills needed for the industry and organise manufacturing skills event across EU.
- Opening up discussions on a single competitive EU labour law, taking into due account the importance of social dialogue.
- Adopting a pro-active approach with regards to anticipating and managing restructuring. The involvement of sectoral and inter-professional social dialogue committees is crucial.
- EU labour market and employment policy should not only focus on labour market reforms leading to a greater flexibility and increased precariousness, because it could undermine the focus on up/re-skilling
- The EU should address the push, pull and uplift factors required to scale up Workplace Innovation in Europe. National and regional action based programmes should be stimulated, based on a shared vision and a shared understanding of the conditions required for sustainable and systemic change.
- The new Framework programme Horizon 2020 should allocate thirty percent of the funds for technology investments to Workplace Innovation investment.
- Measurable performance targets relating to work organisation need to be incorporated within the Integrated Guidelines of the European Employment Strategy based on systematic data collection.
- Measures to raise awareness of the significance of work organisation should be targeted at European Social Fund (ESF) operational structures at national and regional level.
- The ESF should not be used solely to support the setting up of apprenticeship programmes and assisting young people starting up businesses and social enterprises; it should also help finance practical training courses.
- The Commission should improve the framework conditions for the mobility of students, researchers and workers.
- Developing schemes to foster dialogue between educational programs providers (universities, etc) and industry to understand the respective interests and objectives, aimed at adjusting educational programs and expectation to industries' needs.
- EU technology instruments (ETPs, PPPs, JTIs, etc) should include worker representatives in their structures to ensure that any social, environmental or health concerns are adequately addressed and to facilitate social acceptance of new technologies.
- Increasing the budget of the Erasmus for "Young Entrepreneurs" program to allow intermediary organisations to allocate more human resources and offering them personalised support.
- Better protecting the know-how by means of specific policies.
- Setting up a scheme for European student internship exchanges.
- Ensuring better mutual recognition of training and qualifications.
- Implementing specific programmes to facilitate individuals to transition from employee to entrepreneur.

5.5 Improving the Single Market

The single market has provided EU industry with considerable reductions in cross-border trading costs, increased competition, and provided considerable economies of scale and scope by offering a Europe-wide market. Nonetheless, a number of barriers still remain. They include divergent national rules, duplication of procedures and difficulties in accessing some market sectors. European industry and citizens are still confronted with different legal environments at national level. This hampers the competitiveness of European industry.

The accomplishment of a fully-fledged single market is perceived as a precondition for the competitiveness of European companies, including in the global scenario, by a significant number of replies. Respondents stressed the importance of ensuring full implementation of existing single market rules as well as of developing a "Think Single Market first" principle to be applied when new legislation is adopted, especially in relation to newly emerging innovative markets. Actions are perceived as necessary to dismantle current barriers to cross-border sales affecting consumers and retailers. *The creation of a Digital Single Market is a fundamental component for reinvigorating the Single Market. Its full development will increase productivity, quality and efficiency in industry sectors and drive innovation in services.* Furthermore, intellectual property protection needs to be enhanced in terms of quality, costs, legal certainty and enforcement, in order to fully unleash R&D&I potential. Interventions would be appropriate also in the field of standards by facilitating and promoting market-driven collaboration and strategic coordination of industries in standard-setting, to enable European companies to become standard setters rather than standard followers. Actions are needed also to make market surveillance more effective in ensuring that products imported into the EU are compliant with EU regulations (REACH requirements, IPR enforcement, environmental regulations, etc).

Companies still meet trade barriers in the Single Market when trying to sell goods. To a certain extent, this is due to the fact that businesses have insufficient knowledge of their opportunities and rights in the Single Market. It is important that businesses can contact their national administration (e.g. a national Internal Market Centre) or European policymakers when they experience trade barriers. Business needs to come together across industrial sectors and make clear and focused demands to policy makers on what is needed on a short and long term basis to create growth.

At Member State level focus should be on: Implementing already existing measures to ensure a well-functioning Single Market Exchanging best practices, where appropriate, in order to ensure the quality of transposition and enforcement; raising the awareness of the instruments available for the businesses in the Single Market (e.g. SOLVIT and the Product Contact Points) and creating and applying synergies between the existing instruments in order to make them more effective.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Following a firmer enforcement policy to cope with the threat of nationalist protectionism and consequent distortion of competition and to further develop the single market in areas where it does not perform at full capacity.
- EU Competition and fiscal policy should not be obstacles for the creation and survival of European industrial champions which could also play a significant role in the global scenario.
- Pursue infringement procedures where appropriate, and make use of Treaty provisions allowing for immediate fines to be levied in the case of improper implementation (Art. 260.3 TFEU)
- The simplification of administrative measures, more effective enforcement of IPR legislation and the abolition of protectionist rules, such as the banning of the economic needs test for establishment (Article 14(5)), as well as the obligation on Member States to evaluate specific rules, are important building blocks, especially from the viewpoint of SMEs.
- Better coordination between the Commission and chambers of commerce, which are precious interlocutors to develop actions in favour of SMEs.
- Extend intellectual property protection to trade secrets and confidential business information. The current legal protection is characterized by a wide disparity of national legislations.
- Address the lack of harmonised requirements for the use of non-road machinery on public roads.
- Develop a food sector-specific industrial policy taking into account the specificities of the sector.
- Making market surveillance more effective and setting up an European authority for market surveillance
- Ensure swift adoption of the remaining levers of the Single Market Act.
- Improving policy coherence between internal market and external trade policies.
- Unleashing growth potential of a digital economy through e.g. innovative procurement, especially e-procurement, e-payment and e-invoicing.

5.6 ICT and internet access and cross-border sales

This area was selected only by 3.9% of respondents. They highlighted the direct correlation between the use of ICT, productivity gains and positive macroeconomic growth. To stimulate the positive effects that technology can exert on the economy, more investments are deemed as needed. Some respondents raised concerns over the budget foreseen for the industrial leadership pillar in the Horizon 2020 proposal which is the smallest among three pillars. Furthermore, SMEs are concerned about the difficulties they encounter in using R&D funds available at EU and national level due to complicated application procedures and to the lack of skilled research staff, partly because they are more attracted by big companies and partly due to the obstacles to the mobility of researchers in the EU.

Several respondents suggested **policymakers at national and local level** should create the conditions to develop new technologies with infrastructure investments and with support policies in favour of companies, in particular SMEs. They should also speed up the development of broadband networks and create a flat rate Internet for culture.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Providing venture capital and research institutions for innovative Internet applications and promoting specifically Internet start-ups with a high potential at global level (e.g. by organizing prize/award competitions, start-up trade fairs). The EU support could for example relate to translating the product/application into other languages, so that they can be exported.
- The EU should also push for the completion of the single market also for services and fiscal policies (i.e. VAT).
- An "Internet Commerce Court," at least for the first instance, could be a redress tool for disputes originating from cross-border transactions.
- Increasing the budget allocated to the NMP programme (€ 4,3 billion) which is low compared to other areas funded under Horizon 2020.
- Developing an e-commerce cross-border policy including the simplification of the framework for cross-border sales.
- Addressing the e-skill gap
- Integrating high-speed broadband and next generation broadband among the priorities of a new Industrial Policy. Especially in rural areas, it would be key to unlock economic development, job creation and growth potential.

5.7 Better and more consistent regulation

Respondents who selected this area among the top priorities stressed the importance of a coherent and predictable regulatory environment as an essential prerequisite to avoid excessive and unreasonable burdens for industries, as well as to ensure the predictability that business and investors need for long-term investments decisions. Better coordination and consistence among the different regulatory layers is perceived of utmost importance. Regulations lacking coherence and imposing extra costs or burdensome procedures without being underpinned by a sound assessment of the impact on industries, are seen as a barrier putting at risk European competitiveness. In particular, a significant number of replies expressed criticism focusing on environmental legislation imposing high energy costs to accelerate the transition to a low carbon economy. Apart from criticisms regarding the appropriateness of this legislation (which will be dealt with in the chapter dedicated to "Energy and climate policies"), a significant number of respondents argued that the impact assessment analysis might have overestimated the environmental benefits deriving from this legislation, and underestimated its negative impact on industries. In general, it was suggested that impact assessments should always be based on realistic assumptions and fully transparent calculations methods. Industrial competitiveness tests should be applied to all EU policies.

With regards to the role that **businesses** should play in regulation-making, several respondents called on European, national, regional and local authorities to enhance stakeholder involvement. This would contribute to design more evidence-based policies, to better reflect sector-specific and competitiveness issues. Furthermore, business should be more active in exchanging best practices and promoting their adoption by decision makers.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- During the policymaking process, the EU should timely involve industry at every stage and engage in direct dialogue with SMEs rather than only via national representations.
- Improve the quality of impact assessments, including more realistic and the credible use of modelling with much closer consultations to affected sectors, and fitness checking of the cumulative impacts of overlapping legislations.
- Remove inconsistencies of legislations. For instance, some raw material listed as critical are also included in the authorisation list under REACH.
- Competitiveness proofing should be introduced in all impact assessment of legislative proposals with significant economic impact.
- Develop horizontal sectoral fitness-check toolbox such as for the competitiveness proofing exercise
- Ensure that each piece of legislation adopted takes due account of SMEs that are the most exposed to the drawbacks of complex rules adopted at EU level.
- Avoid revision of legislations after a short period of time from adoption, in order to provide businesses and investors with the stable regulatory environment needed for taking long-term investment decisions
- Adopt Regulation instead of Directive as much as possible.
- Create a group of Commissioners aimed at better coordinating EU policies by adopting a horizontal view on competitiveness and environmental issues to strike a balance between conflicting goals.
- Better ensure the implementation and enforcement of existing rules, for instance by fostering market surveillance.
- Organise ad-hoc workshops with different sectors to address sectoral issues
- Carry out a mapping of inconsistencies in legislation, as well as a study comparing national regulatory reports. Both could pave the way to the simplification process needed and address those inconsistencies, for example:
 - there is legal uncertainty over the possible overlap between the Directive on the eco-design of energy-related products (ErP), the construction materials and F-gas regulations;
 - the substances proposed for inclusion as priority substances or priority hazardous substances in the EQSD legislative proposals, are already subject to regulation in other pieces of legislation that introduced specific risk management measures. For example, phthalates have been included in REACH Authorisation Annex XIV, while it is prioritised as priority hazardous substance under the EQS Directive.

5.8 Energy infrastructure and prices

A modern energy infrastructure is perceived as crucial for an integrated energy market and to enable Europe to meet its climate and energy goals. Energy networks must be upgraded, modernised and extended to facilitate the integration of renewable energies, ensure a fully functional internal energy market and improve security of supply. Massive investments in cross-border electricity interconnections and upgrades of national networks are perceived as urgently needed. Some respondents' concerns focused also on the huge differences between Member States in infrastructure and pricing and the lack of interconnection to enable them to use energy surplus. Some respondents are concerned that only a limited amount of infrastructure investments identified under cohesion policy have been engaged during the current programming period.

EU and local policymakers should implement their commitment for the development of infrastructures in order to lower energy prices and shift energy production towards renewable resources.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- The EU should modernise and expand its energy network to ensure secure supplies everywhere.
- A legislative framework stimulating investments in cogeneration should be established allowing for exemptions from the energy taxation for the fuels used in the high efficient "combined heat and power" (CHP) as well as allowing CHP to have a prioritised position when assessing and distributing to the electricity grid.
- Provide incentives to SMEs to invest in renewable energies, without damaging the primary sector.
- Introduce the possibility of signing long-term energy contracts, currently considering in breach of competition rules,
- Ensure faster and more transparent permit granting procedures, to reduce the burden on project promoters willing to invest in energy infrastructures
- Completing the unbundling of production and distribution otherwise incumbents will not carry out the investments needed.
- Creation of a funding strategy to finance European infrastructures taking advantage of new instruments such as EU project bonds and public private partnerships.
- Stronger regulatory supervision is needed to make the electricity market more competitive. Liberalisation of electricity markets has not, in fact, produced more competition so far, because in the absence of strong regulators, former monopolists have become stronger and prices have risen to unsustainable levels for users

5.9 Environmental regulations

Several replies stressed the importance of greener production not only as key to address environmental challenges but also as a driver for resource-efficiency and enhanced competitiveness. Despite being sensitive to environmental concerns, a significant number of respondents argued that further actions are needed at European level in order to achieve the aim of emission reductions while saving the

competitiveness of European industry. The current framework, characterised by a strict sustainability requirements and energy prices that are the highest in the world, is aimed at stimulating investments on low-carbon solutions. Energy efficiency is seen as the main instrument to face this *de facto* competitive disadvantage, however to achieve incremental CO2 reductions, breakthrough technologies are essential. High energy taxation might limit industries' ability to invest in cleaner technologies. Public intervention is considered crucial by a significant number of replies in order to anticipate unwanted effects in terms of negative environmental impact and lost attractiveness of Europe as a business and investment location. Firms, in fact, may decide to relocate outside the EU, leading to increasing imports of goods produced in countries where less stringent environmental norms prevail (carbon leakage). This would also have an impact on employment (job leakage). In the absence of energy taxation comparable across the world, in a situation of asymmetry of constraints, the competitiveness of European industries would be put at serious risk, as well as the achievement of environmental targets. Respondents representing energy-intensive industries, which are often at the first step of the value chain, are particularly concerned about these problems. However, a respondent representing an international environmental organisation argued that the idea of carbon leakage has been overstated.

A significant number of Respondents ask the Commission to take countermeasures to compensate industries for the strict sustainability requirements and high compliance costs deriving from environmental regulations. An approach based on the readiness of alternative solutions for each sector would be welcome considering that low-carbon breakthrough technologies are not always available but remain at a premature research phase. Taxes on imported products from countries with less strict environmental regulations would help maintain competitive EU firms. ETS is not considered an appropriate measure by a number of respondents. ETS State aid Guidelines will only allow for a partial compensation of the indirect CO2 costs. Workable alternatives for the State Aid based financial compensation of CO2 electricity price for energy-intensive industries would be needed. It was argued by a couple of respondents that in most Member states there would not be enough budgetary resource available. A structural pan-European solution is perceived as urgently needed. However, some respondents are against re-opening the discussion on the current ETS framework by introducing new mechanisms (i.e. the “back-load of certificates”). This would make the framework unpredictable and further discourage investment. Other respondents believe that the whole framework needs to be urgently reviewed.

Business should integrate sustainable development in their business strategy, set ambitious objectives, develop reporting systems and make sure that targets are met, as well as implement life-cycle assessment, for example, by assessing the most impacting steps of their manufacturing process and prioritizing future investments.

Several respondents suggested that **policymakers at Member state, local or regional level** should reinforce controls on the external borders to ensure that imported goods from outside the EU respect environmental regulations in order to avoid unfair competition between EU and non-EU goods. Reducing over-regulation is another key message emerging from their replies. At the local level, policymakers could introduce a tax on polluting emissions and grant subsidies to incentivize companies to implement more environmentally-friendly processes.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Reduce over-regulation and make sure that existing rules are implemented. Rather than adopting new legislation, the implementation of existing regulations should be promoted in Member States.
- Ensure better enforcement of environmental regulations (e.g. the lack of border control makes the implementation of Art.5 of REACH ineffective)
- Cost efficiency should be a criterion for any environmental regulation.
- Taking into consideration the different investment cycle when designing compliance periods. Sectors characterised by long investment cycles might find it hard to comply with short compliance periods. For example, energy-intensive industries need predictable and affordable power prices for large volumes at least 15-25 years in advance to be able to invest in new technology and the upgrading of vital components.
- Take actions in order to avoid carbon leakage. Closing down non-ferrous metal production in the EU would result in an increased dependence of Europe on non-EU supplies. In the long, run this could probably exert negative effects on the whole value chain by pushing downstream manufacturing out of the EU, resulting in a global increase of emissions.
- Take into account specificities of each sector with regards to the availability of breakthrough low-carbon technologies. For example:
 - for the container glass industry it is not available yet. Research is on-going in the field of biomass but the security of supply of such sources is still an issue for a sector operating on a continuous basis;
 - non-ferrous metal sectors cannot pass on regionally imposed costs to its customers;
 - the aluminium industry cannot pass on ETS extra costs to product prices due to the global price setting mechanism (London Metal Exchange).
- The ETS scheme should be reviewed, via a proper legislative process, in order to meet its objective of incentivising investments in low-carbon technology. The priorities should be:
 - To base the allocation methodology on the actual production of direct emissions, and sort out the problem of the indirect impact on electricity prices at a pan-European level.
 - To establish EU-based solutions as an alternative to the national state aid-based financial compensation of CO₂ in electricity prices for EU industries.
 - To exempt energy-intensive industries from levies to support renewable energy support and grid development.
 - The ETS scheme should take into consideration the benefits of recycling, which is currently generating additional costs for such operation in the EU.
 - To assess the real cost for industry and the impact on competitiveness. It should include the real CO₂ cost that the electricity producers pass on in the price of electricity that they charge to the industry. Recognise that non-ferrous metal sector cannot pass on regionally imposed costs to its costumers.
 - Permit Member states to fully compensate industries or find alternative solutions to address the competitive gap.
 - Take into account that, although the EU Emission Trading scheme clearly favours fuels (natural gas, renewable, etc) emitting less greenhouse gases, in practice, companies especially

in remote areas, have no access to the supply network or transmission lines to interconnect regions and States.

- Send a strong and immediate signal to the market through setting-aside allowances. The EU carbon market needs a signal in the short term showing that more scarcity will be created. The fastest and easiest way to do this would be by reducing the allowances put on the market through auctioning. This can be done by changing the auctioning profile and reducing the volume of allowances coming on the market on the short term. This delay can be linked with setting aside those allowances as to ensure a more long-term scarcity. However, delayed auctioning and setting-aside allowances will not create permanent scarcity. At a certain moment, the allowances will have to be auctioned and enter the market. The practical advantage of a set-aside is that, technically speaking, it can be introduced through a comitology procedure, without having to change the EU ETS directive.
 - Capture the ad-hoc created scarcity initiated by the set-aside through an adjustment of the linear reduction factor. The only way the current EU ETS directive would be able to remove set-aside allowances from the market is by changing the annual caps. The specific mechanism to do that is by changing the annual reduction factor which shaves off a proportion of the allowances. Currently that factor stands at 1.74% per year equivalent to around 34 Mt of EUAs reduced each year.
 - Introduce an instrument to support and promote innovation in the energy intensive industries. The European Investment Bank could establish a European Low Carbon Innovation fund for energy intensive sectors with the revenues raised from additional auctioning. Through a competitive bidding process, energy intensive sectors and companies can access this fund under the form of a public-private partnership. Such fund could for instance enable the second phase of the EU Ultra Low CO₂ steelmaking (ULCOS) project or multiply the amount of resources available under the second phase of the Sustainable Industry Low Carbon project of DG Enterprise. The ultimate goal of this new fund is to identify, pilot and deploy breakthrough technologies in the main energy intensive sectors in Europe to make them market ready/competitive by 2030.
 - Ensure higher auctioning revenues for all European Member States. It is a well-known fact that by creating more scarcity in phase III of the EU ETS even by only limiting the amount of allowances auctioned-, auctioning revenues for EU Member States would remain constant or even increase.
-
- Apply competitiveness proofing to all environmental regulation having an economic impact.
 - Investigate the pros and cons of introducing border adjustment mechanisms and Certified Emission Reductions (CERs) for both import and exports.
 - Enhance market surveillance for environmental laws (exchange of information in instances of non-compliance; exchange of information and recognition of court cases involving non-compliance).
 - Adopt State aid guidelines that allow Member States to exempt energy-intensive industries from the application of environmental regulations.

- New legislation should be accompanied by impact assessments based on sound scientific data, timely stakeholder consultation and analysis of the cumulative impact that the new legislation, combined with previous legislation, might exert on competitiveness.
- When legal requirements pose significant costs to European manufacturing, similar requirements should be introduced for importing into the EU by eco-design or other appropriate measures. This would harmonise market entry requirements.
- ETS functioning and objectives should be reviewed downwards in case no global agreements can be reached.
- State aid Guidelines that allow Member states to exempt energy intensive industries from excessively high energy costs.
- Prevent at all costs distortions of competition across Member States due to late transposition of directives. The EU should make sure that all products from third countries entering the single market respect the European legislation to avoid distortions of competition.
- Address the paradox of environmental regulation applied to rail transport. *"Perversely, the most sustainable form of transport, i.e. rail transport, is heavily burdened, putting it in a disadvantaged position vis-à-vis other transport modes: 80% of Europe's rail traffic is electrically powered and hence its emissions are indirectly covered through the Emission Trading Scheme whereas emissions from road transport remain untaxed. In a similar way, international air travel is VAT exempt while train tickets are subject to this tax. An end should be put to such inequalities. Another measure to level the playing field is a consistent application of the polluter-pays principle through the internalisation of the external costs of transport where each transport user pays for the negative environmental effects of his moving about. Only once all modes of transport are competing on equal terms, the concept of co-modality begins to make sense"*.

5.10 Resource efficiency including recycling

A respondent argued that "Energy efficiency measures, for example in the building, transportation and energy sectors, are a means to create much needed economic growth and new jobs in the short term and to ensure that energy is used wisely in economically productive segments of the economy in the mid and long term. By this measure, an energy efficient European industrial base should be encouraged to grow, and must not be limited in production and export capacity by energy caps. Energy efficiency improvements need to be made throughout the entire energy conversion chain - from primary energy extraction, energy transformation systems, all types of power generation, energy transmission and distribution systems including smart grids and smart meters, up to the customer's energy supply point. The effective integration of ICT technology into the energy and transport infrastructure will be crucial for Europe to meet its energy efficiency goals".

Europe is -poor in natural resources. Non-renewable resources such as ores, rare earths, gas, oil, uranium, etc., that must be imported from other parts of the world, are running out and are becoming increasingly expensive. The transition to a resource efficient and sustainable industry is crucial for boosting the competitiveness of European industry, stimulating research and innovation and for meeting environmental goals. Currently, industrial processes are still not optimized enough in terms of energy

efficiency. Investments in research and innovation are perceived as needed for effective material use reduction and substitution solutions as well as for cost-effective recycling to produce high-quality recycled material stocks. Some respondents stressed that the strategy for replacing non-renewable resources through technological processes should be further developed.

According to a significant number of replies, focus should be on ensuring attractive framework conditions for companies to facilitate the transition to a green economy and create incentives for using resources more efficiently. Moreover, focus should be on a more efficient use of resources as well as on linking research, innovation and markets, using Key Enabling Technologies as drivers for sustainable growth and job creation. Policies targeting specifically SMEs would be appropriate to that end as well as a deeper involvement of regional clusters as important innovation drivers. In general, any new EU policy on resource-efficiency and recycling should support European industry in maintaining its world leadership for products and technical solutions optimised for diverse criteria such as materials reduction, reduced energy consumption and increase recycling activities. Europe is already one of the least material-intensive regions in the world due to its knowledge infrastructures and technological capacities.

Several respondents believe that **businesses** must work in a resource efficient way in order to be competitive and invest more in research of products and procedures which reduce or substitute materials needs. They can act as partners in the “green value-chain” thus achieving economies of scale and lowering costs (Green cluster) in order to create a virtuous green cycle. Companies may benefit from the support of business federations that could encourage an approach towards more recycling and a reduced use of primary materials in product manufacturing. Businesses should share knowledge and data on the actual expenses of doing more sustainable business on a short and long term basis in order to point out the business opportunities and profits to be made. Furthermore, business should focus internally on resource efficiency through an open dialogue (meetings, seminars, questionnaires) with employees in order to provide managers, CEOs and boards “on-the-floor”-input from employees of all levels on how a business could be run in more resource efficient ways.

Some respondents suggested that **policymakers at Member state, local or regional levels** should promote best practice exchange rather than introducing mandatory requirements. The importance of reducing over-regulation was stressed. It was also suggested that policymakers at regional level should set up regional databases of waste and recycled materials in order to maximise recycling and introduce a temporary tax incentives, so that innovative products and processes resulting from these initiatives are actually used by consumers. Innovation awards for companies with innovative ideas to save or substitute rare resources should be created.

A summary of stakeholders' recommendations with regards to the role of **EU policymakers'** role is presented below:

- Harmonising European waste management and waste recovery legislation across the EU.
- Setting up a clear set of sustainable development parameters referring to key industrial sectors.
- Improving the enforcement of the Waste Shipment Regulation.

- Establishing a central resource register with a rating of how long each resource is still available and how important it is for EU industry.
- The ET scheme should take into consideration the benefits of recycling.
- Ensuring better implementation of legislation in the area of recycling and waste shipment. Example: different interpretations of the waste legislation, for instance, make it easier to move waste/secondary raw materials to China or other non-EU/ non-OECD countries than to move it between two neighbouring EU Member States.
- Developing robust indicators for resource-efficiency. Indicators measuring resource efficiency (such as the product environment footprint (PEF) methodologies) still lack reliability and should therefore not be used comparatively to serve as the basis for the development of regulation.
- Single EU permit and registration conditions for scrap yards and operations regime would facilitate the movement of green listed waste for recycling. Mutual recognition of other Member states' permits would be another possible solution.
- Renewables and energy-efficiency targets should then be merged into the EU ETS over the medium term. The idea of the “key instrument” means that the ETS cap should be so ambitious that developing renewables and enhancing efficiency should be stimulated and controlled through the ETS. In return, the support for renewables and command and control with respect to energy efficiency (by the exclusion of those subject to the EU ETS and a much more differentiated approach to the non-ETS sectors) should be substantially cut back. In the meantime, national support schemes for renewables should be EU-wide harmonized in the medium-term and more strongly oriented on cost-efficiency criteria. Venture capital should be provided for the transformation of waste into marketable products.
- Ensuring that energy-efficiency measures are market oriented and economically feasible for businesses. Businesses should be given the opportunity to choose appropriate measures. Only open-ended innovation and research policies could promote a competition for the best solution
- Securing a stable regulatory and financial framework to support investments.
- Removing subsidies or reduced tax rates for environmentally harmful goods. In parallel, this can also raise awareness to change consumer behaviour (green consumption can be incentivised through, e.g., reduced tax for green products) and foster more use of green public procurement.
- Addressing the lack of predictability in energy-efficiency saving that still characterizes the majority of energy-efficient technologies and the lack of common and standardized methods to measure the achieved energy savings.
- Providing stronger public support to demonstration and pilot projects.
- Exploiting the potential of Green Public Procurement.
- The Eco-design Directive should be extended to cover resource efficiency.
- EU waste rules should not create trade barriers and distort the single market. The inability to transport waste across Member states due to the lists of hazardous classification inhibits the most environmentally sustainable use of this waste. Allowing lower risk shipments would support a more appropriate processing of the waste and increase competition between waste processing vendors and organisations and incentivise further investment in the upgrading of their technologies

5.11 Energy and climate policies

The transition to a low-carbon economy and resource efficiency goes beyond the mere reduction of carbon emissions. Policies to encourage energy efficiency, innovation in the value chain, promote renewable energies, and incentivize research and development could potentially deliver further CO₂ emission reductions. Significant investments are still needed to support this transition, in particular targeting structurally more vulnerable regions. A significant number of respondents highlighted the need to develop a coherent long-term energy policy to provide the necessary infrastructures without destabilizing or distorting the market and safeguarding Europe's industrial competitiveness, energy security, quality of supply and affordable cost to society. *“The fragmented nature of today's energy policy and strategy making in the EU and the Member States result in a lack of stability and predictability for long-term investments for energy providers and energy-intensive industries. In spite of strained economies, substantial long-term investments in energy production and transport infrastructures are required. Given the EU's heavy dependence on energy imports, greater focus needs to be given to anticipating and responding to evolutions in geopolitics and security of energy supply. A new EU industrial policy must be aligned with an export strategy that permits Member States to maintain a healthy trade balances. Manufacturing provides three quarters of EU exports. Considering the broader impacts on the interwoven European industrial tissue and the need for greater coordination between the European and individual Member States, achieving a Single Market on Energy must be given priority.”*

According to one respondent, *“European industry is a global leader in developing and providing the required solutions to address climate change mitigation and adaptation. This leadership position is dependent on the performance of the entire industrial value chain across Europe. European industries have been proactive on two fronts, namely through reducing energy consumption and CO₂ emissions throughout the value chain and international supply chain, as well as by innovating new products and services to help governments, industry and society to transition to a low-carbon economy while at the same time striving for optimised eco-efficiency.(...) EU policies that do not provide a coherent, stable and predictable framework for investment in industry lead to both a loss of employment in Europe and a shifting of CO₂ emissions to more CO₂ intensive production markets”*. In addition, it was suggested that **businesses** should take pro-active actions like, by way of example, the World Business Council for Sustainable Development (WBCSD) and the Cement Sustainability Initiative developing standards and enabling firms to share best practices with regard to their environmental performances, especially their GHG emissions. They should develop new business models for technology investments based on energy savings. Measures to track wasted heat and the introduction of recent technologies (e.g. heat pumps) enabling firms to reuse heat would be very useful.

Member states should adopt strict energy consumption standards for buildings, including public buildings and act as role model by using public procurements to promote smart grids, energy efficiency and renewable energy. Some respondents called on policymakers at local level to harmonize their energy mixes to avoid big differentials in energy prices. To this end, they should remove all remaining barriers to cross-border energy trade to enhance competition and reduce prices. Policymakers at all levels should

prepare the appropriate regulations to pave the way to the Third industrial revolution based on renewable energies, sustainable construction and energy storage. When transposing European regulations, Member states should not go beyond what is strictly necessary and should not impose more stringent regulations on national firms only, to avoid creating competitive distortions. Member states should try to harmonize the ways they tax CO₂ emissions of non-ETS sectors to ensure coherence across borders and equal treatment with the ETS-sectors.

At EU level, several respondents called on policymakers to develop trans-European energy infrastructures and build energy interconnections between national energy markets to increase competition and reduce energy prices. The need for predictable carbon prices was highlighted in order to enable low-carbon investment decisions. For this purpose, one replies suggested setting up an EU-wide regulator of the EU-ETS. With regards to new EU regulations, respondents suggested policymakers should take into account their impact on competitiveness of European industries compared to global competitors and avoid imposing excessive costs on energy-intensive industries to keep under control the risk of carbon and job leakages.

The need to ensure better synergies between Structural Funds and other EU and regional policies was another point made by some respondents. Furthermore, industrial policy should be more integrated in the process of the European Semester with a sharper focus on sustainable industrial policy. It would be also appropriate to enhance the involvement of regions in the implementation of the industrial policy flagship.

A summary of other stakeholders' recommendations with regards to **EU policymakers'** role is summarised below:

- Fostering the completion of the Single Market for energy.
- Forming a group of Commissioners aimed at better coordinating EU policies by adopting an horizontal view on competitiveness and environmental issues to strike a balance between conflicting goals
- Designing EU-wide harmonised criteria for State Aid rules.
- Establishing a European Observatory for refining and conduct in coordination with Member States a sound economic and statistical analysis of the factors determining the rapid structural change in the refining sector. Other sector 'observatories' such as automotive manufacturing (e.g. CARS21), the financial sector and chemicals (e.g. High Level Group) could provide a model to such an observatory;
- Adopting a more ambitious proposal calling for the renovation of public buildings. Currently the scope of the annual renovation rate is limited to buildings owned by central governments only, which means that no more than 2% of the 22 million public buildings will be renovated
- Ensuring coordination between the different EU Roadmaps (Low Carbon Economy, Energy, Transport and Resource efficiency).
- Introducing tax incentives to stimulate investments in low-carbon technologies.
- Assessing at EU and national level the economic risks of an accelerated disengagement of refining in the EU. Evaluating European refining's global competitiveness and employment through a factual assessment of the cost of EU legislation on EU refining compared to competitors, and the

requirement that any new legislative proposals assess the cumulative cost burden to EU refining vs. global competitors;

- Supporting the Commission's revised Energy Taxation Directive proposal and Italy's request to help to correct the petrol/diesel imbalance in Europe. Indeed, the refining industry has to adapt to decreasing demand and a low utilization rate, but the current tax and manufacturing trends in transport enhance the growing mismatch between supply and demand.
- Encouraging the development of standards can provide tools, such as calculation and measurement methods, in order to help realise EU Objectives of carbon-efficiency.
- Preventing possible inconsistencies between the amendment of the EU ETS Directive before the third trading period and the Energy efficiency Directive.
- Imposing CO₂-reduction burdens also to other sectors than industry and transport, like for example private households.
- Abolishing any remaining fossil fuel subsidies. Maintaining fossil prices artificially low prevent the development of renewable energies and energy efficiency.
- Supporting the further development of smart grids.

5.12 International market access and global competition

A number of respondents stressed the importance of a new industrial policy ensuring an international level playing field for industry, in particular with regards of cost factors. They called on the EU to set up a stable internationally competitive framework and engage in a more offensive trade policy, aimed at *“improving access to foreign markets for European companies by removing existing trade barriers (e.g. tariffs and non-tariff barriers)”*. The aversion of some major trading partners to reciprocally liberalise domestic markets towards EU products and services would make it essential for the EU to consider a stricter policy approach *vis-a-vis* those partners. One replies suggested WTO dispute settlement mechanism should be used to address protectionist measures in important export markets, as well as a more pro-active application of the reciprocity principle with regards to international trade and public procurements. *The European Commission needs to address competitive distortions within the EU by controlling the implementation of EU regulations by Member States, and also vis-à-vis the rest of the world, with regard to foreign state aid to non-EU companies. This practice by non-EU countries reduces EU companies’ ability to compete in the global market and increasingly even in the EU market. Appropriate countermeasures need to be considered as part of bilateral trade agreements”*.

An approach integrating EU and Member states' actions aimed at tackling global competition is perceived as more and more urgent as well as a more subtle analysis of global value chains taking into consideration national and regional specificities. Clusters with international scope could provide a valuable response to global challenges. Improved access to foreign markets, international rules for fair competition, a rollback of protectionist measures and a reduction of regulatory barriers are considered fundamental pre-requisites for European competitiveness in the global scenario by several respondents. At the same time, the exposure of EU industry to fair international competition on its home market was perceived as crucial to facilitate necessary structural changes and guarantee competitive prices and products. *“The European Commission needs to address competitive distortions in Europe arising from foreign state aid to non-EU companies. This practice by non-EU governments reduces EU companies’ ability to compete in the global market and increasingly even in the EU market. Therefore, appropriate measures need to be considered or addressed as part of bilateral trade agreements, in particular if they fall outside of potential WTO actions.”*

EU industries should further expand their global network of trade, investment and cooperation. Some respondents also suggested they should be more pro-active in establishing a dialogue with policymakers with regards to the fight against anticompetitive practices of third countries.

Policymaker at Member state, local or regional level should provide support and guidance to companies, in particular SMEs, with regards funding opportunities, business opportunities, procedures and foreign regulations. SME support networks and platform focusing on accessing international markets are needed.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is presented below:

- Taking into due account the competitive disadvantage often affecting European businesses in global markets due to asymmetries of burdens endured and governmental support.
- Applying the reciprocity principle as much as possible.
- Seeking an ambitious international climate agreement before self-imposing stricter binding commitments to reduce CO2 emissions.
- Providing adequate support and information to SMEs to facilitate their introduction into global markets and facilitating the dissemination of specific updated market information on procedures for setting up a business and accessing funds.
- Providing specific training to export managers (especially, SMEs) with the European Social Fund.
- Setting up common support structures at EU Level to assist SMEs in finding business partners in non-EU markets.
- Setting up an online marketplace to search for business opportunities and partners and an online portal presenting all EU programs supporting SMEs to develop their internationalisation strategies.
- Assuring the mutual recognition of certification requirements to reduce compliance costs for businesses operating outside the EU.
- Providing EIB/EBRD support schemes to facilitate the investments and exporting activities of SMEs, such as low-interest loans managed by commercial banks acting as intermediaries of the EIB and EBRD; developing private equity funds for different sectors and geographical areas, which could participate with risk capital in SMEs' internationalisation; a Pan-European guarantee fund for SMEs investments outside the EU.
- The new Industrial Policy should identify priority sectors particularly exposed to global competition and prioritise actions.
- Therefore EU competition policy should be fully aligned with the European Commission's vision for an integrated and holistic industrial policy, not to act as a barrier for innovation or industry restructuring.
- Accelerating the conclusion of European Investment Treaties with key emerging economies, ensuring that no European company suffers a reduced level of investment protection as a result. The protection of Intellectual Property Rights (IPR) should be an indispensable part of these Treaties.
- A review of the relevant geographic market definition in EU merger control, reflecting increased cross-border and international competition, would facilitate structural mergers within the EU, and/or allow for EU companies to maintain a sufficient critical mass to compete effectively in the changing global market. The global market realities faced by EU companies should also be taken into account in antitrust procedures.
- A respondent put forward recommendations with regards to the rail sector: *"the European industry increasingly faces competition from third countries' suppliers (...). In many cases, these suppliers, which compete both within and outside the European market, are backed by their own governments, be it in form of subsidies, protective procurement rules or major R&D programs. (...) the EU trade and procurement policies can play a major role in supporting the European rail industry. UNIFE therefore considers that access to railway procurement markets from third countries (e.g. through FTAs) should be a major objective of the EU Transport and Industrial Policy"*.

5.13 Access to raw materials and raw materials prices

“Raw materials are the basis for industrial production. Their availability and price influence highly the productivity and competitiveness of the EU industry. Securing their availability at affordable prices should be a priority for the EU and local governments. If prices of raw materials continue to fluctuate drastically businesses become distraught with uncertainty. Uncertainty in these businesses means reduced investment and hence reduced growth and employment. Today’s actions on raw materials will determine if the EU will maintain a solid manufacturing industry in EU, keep its competitive advantage in high-technologies and enable its expansion in green technologies.”

A number of respondents called the EU to address the causes of trade distortions and prevent them by establishing short and medium-term instruments and adopting stronger diplomacy actions. Trade agreements would need to put a stronger focus on raw materials. In addition, competition rules should be adapted to a scenario where *certain organisations (some non EU domiciled) dominate many raw materials through a mixture of ownership and marketing arrangements to the extent that they have semi monopolistic positions in certain commodities.*

“Businesses can feed information (bottom-up) to national and European authorities through government authorities and industry associations. This bottom-up information can be used to better define EU policies on raw materials. “

“Member States can work together with their SMEs to feed bottom-up information to EU authorities in order to develop better EU policy on raw materials and their prices. Member States can also look at stimulating the recycling industry and waste management in order to tap the potential for increased resource efficiency and increased use of recycled materials in addition to virgin raw materials.”

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is presented below:

- Ensuring undistorted international markets for raw materials. The EU should address the causes of trade distortions by establishing short and long-term instruments. Especially trade agreements should have a stronger focus on raw materials. For this purpose, greater cooperation between EU industrial and trade policy should be ensured.
- Access to raw material should be fully integrated in trade diplomacy.
- Evaluating State aid measures not only with respect to their impact on competition within the Single Market, but also take into account the effect on the industry’s global level playing field resulting from unfair policies measures outside the EU.
- Extend the scope of the current Eco-Design Directive to address aspects related to raw materials and their efficient use.
- Addressing the whole value chain: raw material suppliers and their downstream users.

- Adopting a new agriculture raw material policy to secure access to sustainable renewable feedstock in a balanced way between bioenergy and bio-based products.
- Creating a database for raw materials at a global scale that could include the location and available quantity, the export policy of the Country where they are located and the evolution of the market, technological progress or information on their environmental impact
- Encouraging farmers to diversify and supplement their incomes by investing in dedicated biomass crops for sustainable bio-based products
- Encouraging a better implementation of waste management and ensure that waste legislation is properly enforced by all Member states. This should involve stimulating the recycling and waste management industry throughout Europe, but particularly in countries where there is little or no recycling capacity. This would increase the use of recycled materials, boost growth and employment.
- The EU should better coordinate REACH enforcement to avoid inconsistencies at Member state level and the unjustified blockage of goods at the border.
- Including in the EU Energy 2050 Roadmap a biomass supply policy.
- The CAP reform should address production biomass residues for energy and mobilisation of agricultural and forest biomass.

5.14 Internal transport market

More efforts and investments were perceived as needed by a number of respondents in order to create a true internal market in the area of transport. Key challenges are to ensure the competitiveness of industry and sustainable transport, overcome barriers in cross-border transport or infrastructures and foster the diffusion of technologies. An interoperable transport infrastructure with a European dimension is a prerequisite for a well-functioning internal European market and an essential component of a growth strategy. Improved interoperability of technical solutions and intelligent transport systems are of crucial importance in order to use existing transport infrastructure more efficiently. Some respondents called on the EU to support R&D of new technologies in the transport sector (i.e. ITS) by research funding programs and by promoting common standards. It was also highlighted the need to establish a level-playing field between the different transport modes, especially regarding infrastructure usage fees and energy costs.

With regards to the **rail transport**, according to one respondent the sector needs further liberalisation. *“In a number of countries the market structure does not allow for effective competition. Some countries lack regulatory oversight that enables fair competition and in other Member States the government pursues policies to protect the incumbent operator from competition. Rail should also be the backbone of a sustainable transport system in Europe. To achieve this, significant investments in infrastructure are necessary. Funds, such as the TEN-T budget, should be increased and effectively used, and Cohesion Funds should be redirected towards rail and by no means shifted towards other transport modes. Moreover, the European Railway sector must be unified from a technical point of view. In order to create a single railway area as well as a single market for railway products and services, this fragmentation must be overcome and interoperability must be increased. A key instrument in this regard is the deployment of the European Rail Traffic Management System (ERTMS). Today its implementation is uneven and too slow. This is highly problematic as an ERTMS-equipped network is only as strong as its weakest link. Following specific examples of Member States that are not applying the mandatory regulations on corridors, UNIFE strongly believes that EU funding has a critical role to play in ensuring the deployment of this technology along the European railway network. Additionally, the different procedures adopted by the national safety authorities, largely resulting from a lagging implementation of the Interoperability Directive, make the authorisation process of new vehicles extremely burdensome and costly.”*

“Furthermore, existing administrative and technical market barriers considerably reduce the efficiency of rail transport. Strongly divergent and intransparent national licensing procedures for rail vehicles are time consuming and cause extra costs. An EU-wide harmonization of approval procedures for vehicles and a single European safety certification of railway undertakings would reduce leeway for discrimination and contribute to the interoperability of rail systems and common safety standards. Furthermore, a non-discriminatory access to rail infrastructures needs to be ensured.”

The achievement of an internal transport market would also contribute to reducing the negative impacts of transport i.e. air pollution and CO₂-emissions. For instance, *“by means of a Single European Sky*

(SES), air transport emissions in Europe could be cut by 12%. The current fragmentation in around 50 civil and military flight safety systems leads to unnecessarily long journeys, impedes traffic flows and wastes kerosene”.

EU policy measures should adhere to the principle of technology neutrality; and existing technology developments shall not be devaluated by EU policy measures.

A summary of stakeholders' recommendations with regards to **EU policymakers'** role is presented below:

- Develop standards to measure the environmental impact of intelligent transport systems or other infrastructures that uses ICT. This would demonstrate the benefits in terms of energy saving and CO2 reduction capacity and allow scalability of projects on an European and global basis
- The lack for interest from railway companies for single wagon in many countries should be addresses. The demand for single wagon-load services remains strong.
- Harmonising fuel taxation in order to avoid unfair competition among Member states.
- Eliminating national divergences in the implementation of the Technical Specifications for Interoperability relating to the subsystem 'telematics applications for passenger services' of the trans-European rail system, by also reinforcing the role of the European Rail Agency. Currently the Technical Specifications for Interoperability are not uniformly implemented by Member state and additional national requirements are imposed.
- Improving maritime transport systems used in the harbour: eco-friendly port-berthed power, waste heat recovery systems and thermo-efficient systems in vessels.
- For electric vehicles – encouraging the development of charging infrastructures, in particular in private homes, offices and commercial buildings: the efficient management of the charging of electric vehicles, in particular with a view to using renewable resources and off-peak electricity will require the introduction of smart grid networks and smart metering.
- TEN and their national parts have to be adapted in a more coordinated way
- Aviation: the process of creating functional airspace blocks as interim step towards a Single European Sky needs to be accelerated.
- Maritime sector: there is a need for harmonizing administrative requirements for ships arriving at/leaving from EU seaports. Road transport: remaining cabotage restrictions should be abolished.

- **Annex 1 Respondents**

List of respondents who authorised to publish their contributions under their name:

Alstom - EU Delegation

American Chamber of Commerce to the EU (AmCham EU)

Association for Financial Markets in Europe (AFME)

Association française des entreprises privées (AFEP)

Association of European Chambers of Commerce and Industry (EUROCHAMBRES)

Association of European ferro-alloy producers (Euroalliages)

Association of Large Energy Consumers (SVSE)

Association of the European Rail Industry (UNIFE)

Aurubis, Germany

Austrian Federal Economic Chamber (WKO)

BDI/BDA , German Business Representation

Brosse, Xavier, individual citizen, France

Bulgarian Association of the Metallurgical Industry

Arbeiterkammer, Vienna

Bundesverband Mineralischer Rohstoffe, Germany

BUSINESSEUROPE

Center for Clean Air Policy (CCAP-EU)

Committee for the European Construction Equipment Industry (CECE)

Chalane, Hakim, individual citizen, France

Cercle de l'Industrie

Cobalt Development Institute (CDI), UK

Confédération française de l'encadrement - Confédération générale des cadres (CFE-CGC)

Confederation of Employers and Industries of Spain (CEOE)

Confederation of European Paper Industries (CEPI)

Confederation of Finnish Industries

Confederation of National Associations of Tanners & Dressers of the European Community (COTANCE)

Council of European Employers of the Metal, Engineering and technology-based Industries –CEEMET-

Department for Business, Innovation and Skills, UK

DIHK Brüssel

DILB GmbH, Germany

East of England Europe and International Forum

Euroheat

EuropaBio

European Alliance to Save Energy (EU-ASE)

European Apparel and Textile Organisation (Euratex)

European Association for the Promotion of Cogeneration (COGEN Europe)

European Association of Craft, Small and Medium-Sized Enterprises (UEAPME)

European Association of Machine Tool Industries (CECIMO)

European Association of Metals (EUROMETAUX)

European Association representing the interests of industries in the aeronautics, space, defence and security sectors (ASD Europe)

European Bioplastics

European Brands Association (AIM)

European Cement Association (CEMBUREAU)

European Ceramic Industry Association (Cerame-Unie)

European Chemical Industry Council (CEFIC)

European Committee for Electrotechnical Standardization (CENELEC)

European Committee for Standardization (CEN)

European Committee of Domestic Equipment Manufacturers (CECED)

European Confederation of woodworking industries aisbl (CEI-Bois)

European Container Glass Federation (FEVE)

European Copper Institute

European Engineering Industries Association (Orgalime)

European Family Businesses

European Federation for Precast Concrete (BIBM)

European Federation of Pharmaceutical Industries and Associations (EFPIA)

European Games Developer Federation (EGDF)
European Generic Medicines Association (EGA)
European Network for Social Integration Enterprises (ENSIE)
European Newspaper Publishers' Association (ENPA)
European Petroleum Industry Association (EUROPIA)
European Plastics Converters (EuPC)
European Private Equity and Venture Capital Association (EVCA)
European Public Real Estate Association (EPRA)
The European Rail Industry (UNIFE)
European Round Table of Industrialists (ERT)
European Salt Producers' Association (EuSalt)
European Steel Association (EUROFER)
European Trade Union Confederation (ETUC)
Evonik Industries AG, Germany
Fachverband Bergbau-Stahl, Austria
Fachverband der Stein- und keramischen Industrie, Austria
Fédération des Industries Electriques, Electroniques et de Communication (FIEEC)
Federation of Finnish Technology Industries
Finnish Forest Industries Federation
FoodDrink Europe
Foundation for Effective Governance (FEG), Ukraine
French trade association for electrical equipment, automation and related services (Gimélec)
German Association of Automotive Industry (VDA)
General Confederation of French SMEs (CGPME)
German Confederation of Skilled Crafts and Small Businesses (ZDH)
German Non-Ferrous Metals Association (WVMetalle)
Glass Alliance Europe
Glass for Europe
Government of Denmark, Ministry of Business and Growth
Handelskammer Hamburg
International Federation of Industrial Energy Consumers (IFIEC Europe)

Industrial Minerals Association – Europe (IMA)
Industriegewerkschaft Metall (IG Metall)
Ingenico SA, France
Instytut Techniki Budowlanej, Poland
International Association of Oil & Gas Producers (OGP)
International Platinum Group Metals Association
Lafarge, France
Lasselsberger, Czech Republic
Les entreprises du médicament, France
Létang, Thierry, individual citizen, France
Ministère de l’Economie et du Commerce extérieur, Ministère d’Etat, Département de la simplification administrative et Ministère des Classes moyennes, Luxembourg
Ministry of Economic Affairs, Agriculture and Innovation, The Netherlands
Montanwerke Brixlegg AG, Austria
Mouvement des Entreprises de France (MEDEF)
Nestlé, Belgium
Norwegian Ministry of Trade and Industry
Novamont, Italy
Novozymes, European Union Office
OMV AG, Austria
Oxylane, France
ProDessus, Belgium
Rosenmejer Jeppe, Denmark
Sanofi, European Affairs Office
Saxon State Ministry for Economic Affairs, Labour and Transport, Germany
Schneider Electric
Service Public de Wallonie
Småland Blekinge South Sweden
Spanish Business Confederation of Social Economy (CEPES)
Spanish Federation of Food and Drink Industries
Spectaris, German High-tech Industry Association

Suez Environnement, France
System Capital Management (SCM), Ukraine
Telefonica S.A., Belgium
Thüringer Ministerium für Landwirtschaft, Forsten, Umwelt und Naturschutz, Germany
TNO, The Netherlands
Umicore, Belgium
Unioncamere del Veneto, Italy
Union of Professional Engineers, Finland
Verband der Chemischen Industrie e.V. (VCI), Germany
WaterTrust, Greece
Westinghouse Electric UK Holdings Ltd.
Wieland-Werke AG, Germany
Wirtschaftsvereinigung Stahl, German Steel Federation
WWF European Policy Office
Zentralverband des Deutschen Handwerks
Zöllner Wolfgang, individual citizen, Germany

Annex 2 Questionnaire

Consultation on the EU2020 flagship on Industrial Policy

Mid-term review

of the Europe2020 flagship initiative

on Industrial Policy

As part of the Europe 2020 strategy, the industrial policy flagship in October 2010 set out a strategy for industrial competitiveness, sustainable economic growth and job creation. The flagship identified the importance of a strong, diversified and competitive industrial base for the EU economy. The mid-term review of the industrial policy flagship planned for September 2012 will review progress on implementing the flagship and focus on developing a limited number of further initiatives to tackle the consequences of the economic crisis and that can deliver substantial results in the short to medium term in terms. The initiatives should have a demonstrable and significant impact on competitiveness and thereby on economic growth and jobs. **The responses to this questionnaire will help the Commission identify these priorities in the various policy areas and develop appropriate policy responses.**

To facilitate the responses to the consultation, the following broad and non-exhaustive definitions are proposed for the potential EU policy priorities identified in the questionnaire.

A SME-friendly business environment and entrepreneurship includes e.g. the use of the ‘think small first’ principle for new regulations, simplifying start-up requirements and licensing regimes, SME advice and other support schemes, and new initiatives to promote entrepreneurship.

Access to finance and risk capital covers policies relating to ensuring adequate bank loan and non-bank finance (e.g.: securitisation and supply chain financing) for enterprises, especially but not exclusively SMEs, and includes encouragement of all types of risk capital, including business-angel, early-stage and venture capital.

Industrial innovation and technologies policy covers policies that promote the timely commercialisation of research, including the timely deployment and commercialisation of new technologies, the development of appropriate standards and the encouragement of non-technological innovation (in parallel, a public consultation on 'demand-side policies to spur industrial innovation' will be held by the Commission).

Skills, restructuring and structural change covers policies that ensure appropriate education and training and that provide appropriate accompanying measures for restructuring and structural change to ensure that both companies and workers better can adapt to changing conditions.

Improving the Single Market covers both regulatory and non-regulatory means of promoting an EU internal market for goods and services.

ICT, internet and cross-border sales covers policies that contribute to the take up and efficient use of information and communication technologies for information, production, and sales (BtoB and BtoC) across Europe, including promoting digital entrepreneurship.

Better and more consistent regulation covers policies that aim at cutting red tape and improving the quality of regulation by simplifying and improving existing regulation, better design of new regulation, and by reinforcing the respect and the effectiveness of the better regulation principles, all in line with the EU proportionality principle.

Energy infrastructure and competition covers policies to promote infrastructure investments as well as associated regulatory and competition policies.

Internal transport market priorities and efficient use of infrastructure (e.g.: by improving interoperability, deploying intelligent transport systems and developing clean and energy efficient vehicles infrastructure).

Environmental regulations cover policies designed to protect the environment (e.g.: control of industrial emission etc.).

Resource-efficiency and recycling covers targeted policies designed specifically to promote product sustainability, the adoption of cleaner production techniques and the reduction of waste and increased recycling.

Energy and climate covers policies to mitigate climate change and promote the transition to a competitive, sustainable and energy-efficient economy.

International market access and global competition refers to both commercial and investment activities of firms and includes trade negotiations with third countries, market access and trade defence instruments, international regulatory agreements, as well as facilitating the internationalisation of SMEs.

Access to raw materials covers policies designed to promote well-functioning global raw material markets, initiatives to develop alternative sources of supply and potential substitutes, as well as strategies for improving resource efficiency.

This questionnaire can be filled out online. You also have the possibility to upload a document with more extensive comments on the issues covered by the questionnaire. It is important to read the **specific privacy statement** attached to this consultation for information on how your personal data and contribution will be dealt with.

Questions marked with an asterisk * require an answer to be given.

1. General Information

1.1 Please enter your name, address, and e-mail address.* (maximum 300 characters)

1.2 Who do you represent?

Large business

SME (less than 250 employees)

Business organization

Member State administration

Regional/local administration

Non-governmental organization (NGO)

Individual citizen

Other

1.3 In which sector do you operate?

Manufacturing

Construction

Utilities

Other services

Other

Not relevant

2. Policy Priorities facing European Industry

2.1 In your experience, which of the following policy-related factors are most important for the competitiveness of European business? Please select a maximum of three factors

SME-friendly business environment and entrepreneurship

Access to finance and risk capital

Technologies, standards, design and innovation Skills,
restructuring and structural change

Improving the Single Market

ICT and internet access and cross-border sales

Better and more consistent regulation Energy

infrastructure and prices Environmental
regulations

Resource efficiency including recycling

Energy and climate policies

International market access and global competition Access
to raw materials and raw materials prices
Internal transport market
Other

2.1.1 SME-friendly business environment and entrepreneurship: please explain the importance of the issue, giving examples and evidence

2.1.2 SME-friendly business environment and entrepreneurship: how can businesses themselves better respond to these issues?

2.1.3 SME-friendly business environment and entrepreneurship: what can policymakers do to address the issues at Member state, local or regional level?

2.1.4 SME-friendly business environment and entrepreneurship: what can policymakers do to address the issues at EU level?

2.2.1 Access to finance and risk capital: please explain the importance of the issue, giving examples and evidence.

2.2.2 Access to finance and risk capital: how can businesses themselves better respond to these issues?

2.2.3 Access to finance and risk capital: what can policymakers do to address the issues at Member state, local or regional level?

2.2.4 Access to finance and risk capital: what can policymakers do to address the issues at EU level?

2.3.1 Technologies, standards, design and innovation: please explain the importance of the issue, giving examples and evidence

2.3.2 Technologies, standards, design and innovation: how can businesses themselves better respond to these issues?

2.3.3 Technologies, standards, design and innovation: what can policymakers do to address the issues at Member state, local or regional level?

2.3.4 Technologies, standards, design and innovation: what can policymakers do to address the issues at EU level?

2.4.1 Skills, restructuring and structural change: please explain the importance of the issue, giving examples and evidence.

2.4.2 Skills, restructuring and structural change: how can businesses themselves better respond to these issues?

2.4.3 Skills, restructuring and structural change: what can policymakers do to address the issues at Member state, local or regional level?

2.4.4 Skills, restructuring and structural change: what can policymakers do to address the issues at EU level?

2.5.1 Improving the Single Market: please explain the importance of the issue, giving examples and evidence.

2.5.2 Improving the Single Market: how can businesses themselves better respond to these issues?

2.5.3 Improving the Single Market: what can policymakers do to address the issues at Member state, local or regional level?

2.5.4 Improving the Single Market: what can policymakers do to address the issues at EU level?

2.6.1 ICT and internet access and cross-border sales: please explain the importance of the issue, giving examples and evidence

2.6.2 ICT and internet access and cross-border sales: how can businesses themselves better respond to these issues?

2.6.3 ICT and internet access and cross-border sales: what can policymakers do to address the issues at Member state, local or regional level?

2.6.4 ICT and internet access and cross-border sales: what can policymakers do to address the issues at EU level?

2.7.1 Better and more consistent regulation: please explain the importance of the issue, giving examples and evidence.

2.7.2 Better and more consistent regulation: how can businesses themselves better respond to these issues?

2.7.3 Better and more consistent regulation: what can policymakers do to address the issues at Member state, local or regional level?

2.7.4 Better and more consistent regulation: what can policymakers do to address the issues at EU level?

2.8.1 Energy infrastructure and prices: please explain the importance of the issue, giving examples and evidence.

2.8.2 Energy infrastructure and prices: how can businesses themselves better respond to these issues?

2.8.3 Energy infrastructure and prices: what can policymakers do to address the issues at Member state, local or regional level?

2.8.4 Energy infrastructure and prices: what can policymakers do to address the issues at EU level?

2.9.1 Environmental regulations: please explain the importance of the issue, giving examples and evidence.

2.9.2 Environmental regulations: how can businesses themselves better respond to these issues?

- 2.9.3 Environmental regulations: what can policymakers do to address the issues at Member state, local or regional level?
- 2.9.4 Environmental regulations: what can policymakers do to address the issues at EU level?
- 2.10.1 Resource efficiency including recycling: please explain the importance of the issue, giving examples and evidence.
- 2.10.2 Resource efficiency including recycling: how can businesses themselves better respond to these issues?
- 2.10.3 Resource efficiency including recycling: what can policymakers do to address the issues at Member state, local or regional level?
- 2.10.4 Resource efficiency including recycling: what can policymakers do to address the issues at EU level?
- 2.11.1 Energy and climate policies: please explain the importance of the issue, giving examples and evidence.
- 2.11.2 Energy and climate policies: how can businesses themselves better respond to these issues?
- 2.11.3 Energy and climate policies: what can policymakers do to address the issues at Member state, local or regional level?
- 2.11.4 Energy and climate policies: what can policymakers do to address the issues at EU level?
- 2.12.1 International market access and global competition: please explain the importance of the issue, giving examples and evidence
- 2.12.2 International market access and global competition: how can businesses themselves better respond to these issues?
- 2.12.3 International market access and global competition: what can policymakers do to address the issues at Member state, local or regional level?
- 2.12.4 International market access and global competition: what can policymakers do to address the issues at EU level?
- 2.13.1 Access to raw materials and raw materials prices: please explain the importance of the issue, giving examples and evidence
- 2.13.2 Access to raw materials and raw materials prices: how can businesses themselves better respond to these issues?
- 2.13.3 Access to raw materials and raw materials prices: what can policymakers do to address the issues at Member state, local or regional level?
- 2.13.4 Access to raw materials and raw materials prices: what can policymakers do to address the issues at EU level?

2.14.1 Internal transport market: please explain the importance of the issue, giving examples and evidence.

2.14.2 The internal transport market is well developed, however not to the same extent for all modes. Where do you see from an industry perspective priority areas of action?

2.14.3 There is a need for a more efficient use of the existing transport infrastructure, e.g. by improving interoperability, deploying intelligent transport systems and developing clean and energy efficient vehicles infrastructure. Where do you see from an industry perspective priority areas of action?

2.15.1 If you chose "Other", please specify and please explain the importance of the issue, giving examples and evidence.

2.15.2 How can businesses themselves better respond to these issue?

2.15.3 What can policymakers do to address the issue at Member state, local or regional level?

2.15.4 What can policymakers do to address the issues at EU level?

2.16 If you have further comments on this consultation or suggestions please write them in the box below.

2.17 Do you want to upload a longer written response or background documents?

3. Publication of contributions

3.1 Please indicate here if you wish your contribution to be anonymous. Unless you specify otherwise, your contribution will be published on the Commission's website together with your identity.

Please make this contribution anonymous

Please publish this contribution under the name given

