

## **Social Dialogue in the Food and Drink Industry**

### **Joint FoodDrinkEurope – EFFAT Position on Industrial Policy**

FoodDrinkEurope and EFFAT welcome the decision to dedicate the European Council Summit on 20 March 2014 to **Industrial Competitiveness** and, as their joint contribution to this Summit, set out below the case for having an **Industrial Policy for the European food and drink industry**.

#### ***The EU Food and Drink Industry: A key Pillar of the EU Economy***

- The biggest manufacturing sector in the EU both in terms of turnover and employment (4.25 million jobs directly);
- A non-cyclical and resilient pillar of the EU economy;
- Processing 70% of EU agricultural produce while providing safe, qualitative and nutritious food to European consumers;
- The largest global exporter of food and drink products.

The EU food and drink industry is a stable, non-cyclical and robust manufacturing sector which has demonstrated its resilience during the recent economic downturn. It generates 7% of EU GDP and will therefore be a major contributor to the 20% growth target set for the manufacturing sector in the EU 2020 Strategy.

#### ***The need for an EU Industrial Policy for Food and Drink...***

Despite being a major contributor to Europe's economy, key competitiveness indicators show that Europe's food and drink sector is losing its competitive edge.

FoodDrinkEurope and EFFAT believe that an industrial policy for the EU food and drink sector should focus on enhancing the sector's competitiveness through sustainable employment, investment, innovation policies and export performance. In particular, this industrial policy should:

- Ensure a well-functioning EU Single Market for food based on a socially and environmentally responsible level playing field that is supported by smart regulation;
- Contribute to sustainable employment, paying particular attention to linking effectively skills development with employment growth and increased labour productivity;
- Foster the transition towards more sustainable food systems and empower consumer choice and confidence;
- Increase and consistently facilitate trade opportunities, in particular through integrated, transparent supply chains;
- Promote and support the role of SMEs, especially by facilitating knowledge transfer and improving access to finance;
- Encourage the industry's innovative capacity by promoting science-based new technologies and overcoming bottlenecks to accelerate the road to market of sustainable innovations.

#### ***...and a High Level Forum***

FoodDrinkEurope and EFFAT therefore welcome the efforts to increase Europe's industrial competitiveness and call on the EU to:

- Support an Industrial Policy which will enhance both the internal and the external competitiveness of Europe's food and drink companies;
- Develop an EU Industrial Policy that will help our industry tackle new challenges while providing both sustainable growth and employment;
- Acknowledge the need to develop this Industrial Policy hand in hand with the sector's key stakeholders through the establishment of a permanent High Level Forum for the competitiveness of the food supply chain, to complement the fundamental role of social partner dialogue.