Situation of the European economy, report on the broad guidelines for economic policies BGEP

2003/2135(INI) - 26/02/2004 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by Christa RANDZIO-PLATH (PES, Germany) on the broad economic guidelines. (Please see the summary of 27/01/04.) Parliament called on the Member States to implement the requisite structural reforms and political measures with a view to creating a business climate conducive to entrepreneurial enterprise, innovation and industrial competitiveness. Parliament was concerned about the decline in investment in the knowledge-based economy, the increase in the R&D investment gap between the EU and the US, the 'brain drain' phenomenon and the concentration of EU firms' transnational R&D expenditure in the USA, indicating that the EU is becoming less attractive as a location for R&D for industry, and the dramatic decline of risk capital activity. Member States should increase the number and attractiveness of research positions and improve the career development for researchers in order to prevent the 'brain drain' to the US. Parliament also called for an urgent mobilisation of private-sector investment for R&D with a special focus on seed and start-up venture capital for microenterprises and SMEs. It also noted with concern that Europe has lost its advance in environmentally friendly technologies and renewable energies in the past years, and favoured the introduction of nano- and bio- communication, and other clean technologies. Parliament went on to ask for an intensified public-private partnership with particular support for SMEs, and the development of a coherent industrial policy. There must be intensified co-operation between public research institutions and industry, with a special focus on SMEs, a stronger participation of industry in the determination of priorities for public research, but also a substantial increase of private sector financial contribution. Parliament felt that the EIB should develop new funding arrangements to foster the development and market introduction of new technologies, including grouped loans for specific research activities, technology platforms, and simplified lending procedures for midsized firms. Finally, Parliament recommended that the existing margin for manoeuvre offered within the current Financial Perspectives be used now, by taking full advantage of the EU budget and European funds, in particular structural funds, to better reflect and implement the Lisbon strategy.