Basic information

1996/2230(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competitiveness of the European industry **Subject** 3.40.14 Industrial competitiveness	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	ECON Economic and Monetary Affairs, Industrial Policy	CAUDRON Gérard (PSE)	06/02/1997

Council of the European Union	**Council configuration**	**Meetings**	**Date**
	Industry	2091	1998-05-07
	Industry	2001	1997-04-24

Key events

Date	Event	Reference	Summary
13/11/1996	Non-legislative basic document published	SEC(1996)2121	Summary
29/01/1997	Committee referral announced in Parliament		
24/04/1997	Debate in Council		
15/04/1998	Vote in committee		Summary
15/04/1998	Committee report tabled for plenary	A4-0138/1998	
07/05/1998	Debate in Council		
13/05/1998	Debate in Parliament		
14/05/1998	End of procedure in Parliament		
01/06/1998	Final act published in Official Journal		

Technical information

Procedure reference	1996/2230(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper

Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/08400

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0138/1998 OJ C 167 01.06.1998, p. 0003	15/04/1998	
Text adopted by Parliament, single reading		T4-0283/1998 OJ C 167 01.06.1998, p. 0175-0199	14/05/1998	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(1996)2121	13/11/1996	Summary

Competitiveness of the European industry

1996/2230(COS) - 13/11/1996 - Non-legislative basic document

OBJECTIVE: to assess the performance of European industry and the European economy in general. CONTENT: growth in Europe has been far slower than growth in America over the past five years, even though current forecasts announce a net upturn. This is the finding made by the Commission in its working document on the competitiveness of European industry. The Commission report contains a fairly contrasting account of the European Union's performance and stresses that the competitiveness of European industry is hampered by a number of structural weaknesses: - a real sectoral weakness in the field of information technologies and, to a lesser extent, in certain aspects of biotechnology; - a lack of both public and private investment, which appears to be the cause of the low level of European productivity; - the tax burden borne by companies compared to their profitability; - mediocre results in the area of innovation despite the potential for diversified and complementary research; - the poor "visibility" of European industry, which lacks the overall coherence of American or Japanese industry; - the problem of adapting to technological changes at the turn of the century, in particular with regard to information technologies. Apart from the technological aspect, Europe appears to have a cultural difficulty in making the sea changes imposed by present and future developments, at employee, enterprise and administrative level; - a insufficiently coherent and stable European environment. The internal market has still not evolved into a genuine "domestic" market: divergent economic policies, variations in exchange rates in 1992-1993 and against the dollar over the last decade have done little to promote the competitiveness of European companies. The Commission calls for enterprises to integrate competitive structures and to open up to the European and world markets and reiterates the advantage of "benchmarking". The Commission considers this method of evaluating and comparing the performance of enterprises to be one of the best ways of increasing competitiveness.

Competitiveness of the European industry

1996/2230(COS) - 14/05/1998 - Text adopted by Parliament, single reading

In adopting the report by Mr Gérard CAUDRON (PSE, F) on the competitiveness of European industry, the European Parliament noted the lack of any real chronic sectoral weaknesses, with the exception of the persistent backwardness in the field of information technology and, to a lesser extent, biotechnology. It observed, nonetheless, that despite its considerable diversified and complementary research potential, Europe was achieving mediocre results in the area of innovation, which was reflected in its decline in the patents sector. Parliament called on the Commission to draw up proposals laying the foundations for a genuine European industrial policy based, in particular, on incentives for public and private investment, the introduction of aid mechanisms for innovative, job creating and/or restructuring industries, and the development of venture capital. It firmly supported the principle of coordinating and harmonising fiscal policies. It believed that public spending on industrial research should be geared more to commercial applications and encouraged the creation of European structures, whether private, public or joint in origin, capable of bringing industrial partners together in major research cooperation projects. It called for the adoption of the European company statute as a decisive step towards recognising the European dimension of business. It believed that the introduction of minimum social and environmental clauses in bilateral and multilateral world trade was essential in order to combat social and environmental dumping. It called for better coordination and certification of products

marketed within the EU. While recognising the impact of environmental requirements on competitiveness as a factor which stimulated research, it also acknowledged that environmental constraints were a significant financial burden which was acceptable only if competitors were likewise subject to them. Parliament considered that it must be possible for labour markets to adjust and accompany the development of society and that the long- term economic and social impact of the initiatives to reduce working time adopted in the various Member States should be analysed.