Basic information

1997/2223(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
European aerospace industry meeting the global challenge **Subject** 3.40.05 Aeronautical industry, aerospace industry	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs, Industrial Policy	HOPPENSTEDT Karsten Friedrich (PPE)	29/10/1997

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs, Security and Defense Policy	TITLEY Gary (PSE)	09/12/1997
ENER Research, Technological Development and Energy	DESAMA Claude J.-M.J. (PSE)	09/12/1997
RELA External Economic Relations	MALERBA Franco E. (UPE)	01/12/1997

Council of the European Union

Key events

Date	Event	Reference	Summary
24/09/1997	Non-legislative basic document published	COM(1997)0466	Summary
24/10/1997	Committee referral announced in Parliament		
13/10/1998	Vote in committee		Summary
13/10/1998	Committee report tabled for plenary	A4-0362/1998	
17/11/1998	Debate in Parliament		
19/11/1998	End of procedure in Parliament		
07/12/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1997/2223(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/4/09319

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0362/1998 OJ C 341 09.11.1998, p. 0002	13/10/1998	
Text adopted by Parliament, single reading		T4-0690/1998 OJ C 379 07.12.1998, p. 0136-0270	19/11/1998	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1997)0466	24/09/1997	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0102/1998 OJ C 095 30.03.1998, p. 0011	28/01/1998	Summary

European aerospace industry meeting the global challenge

1997/2223(COS) - 28/01/1998 - Economic and Social Committee: opinion, report

The ESC welcomes this document, and considers that the national industries are not generally capable, on their own, of standing up to world competition. The Commission's communication overlooks the need to back up industrial projects with vigorous action on uniform and Europe-wide vocational training. The structural funds should support a wide range of training activities for both young people who are to enter the aeronautics industry and retraining for those already employed in it. In order to inject flexibility into the system and boost employment, preference should be given to developing a network of small and medium-sized European businesses, which would trigger decentralization of a significant share of production and provide a technological spin-off for other sectors. The harnessing of relevant synergies, inter alia through universities and research centres, could be decisive here. The EU institutions and the individual Member States must give vigorous backing to the establishment of a European air safety authority and of an integrated air traffic control system. Special attention should be focused on environmental policy action, particularly regarding airports and their surrounding areas, by developing technologies capable of cutting air and noise pollution. The resources thus far available to specific RTD programmes will need to be expanded: in particular, this should be implemented under the Fifth framework programme. Technology transfer from the military to the civil sector and vice versa, supporting research on dual-use products, will be a decisive factor in this respect. Moreover, in order to support recently restructured European industries, the European Union should envisage funding joint programmes such as an integrated supervision /monitoring system (on an interdisciplinary sea-land-air-space basis) for safety in Europe as a whole, a military/civilian air transport system (FLA), or a

satellite navigation system. Taking the three sectors as a whole (defence, space and aeronautics), the ESC believes that the EU must adopt instruments for funding and for adjusting public expenditure at European level. This will require a quantum jump in the EU political integration process. It is essential to secure a more efficient opening up of public procurement, so that the European aerospace industry can take advantage of new outlets.

European aerospace industry meeting the global challenge

1997/2223(COS) - 24/09/1997 - Non-legislative basic document

OBJECTIVE: in the light of recent events such as the merger of Boeing and McDonnell Douglas and the proposed merger of Lockheed Martin and Northrop Grumann, the Commission communication seeks to assess the situation in the European aerospace industry and examine a number of possible scenarios for its future development. SUBSTANCE: The Commission document concludes that in the absence of rapid and radical restructuring the European aerospace industry could collapse. Analysis of the situation in Europe and the United States (which controls 58% of the world market) shows that the European aerospace sector is too fragmented and that restructuring is taking place too slowly. The position of the European industry on the world space markets varies between a market share of 5% or less in some categories of ground equipment, 20-25% in the satellite manufacturing sector and more than 50% in the space launch services as a result of the Ariane programme, and this only in markets effectively open to competition. Rapid restructuring and concentration is therefore necessary in Europe. Europe wishes neither to propose nor prescribe a model for restructuring since it is the responsibility of the companies themselves and the Member States. However, it is seeking to create the necessary conditions to speed up restructuring measures. The basic elements of the recommended strategy are as follows: (a) the need to create European groupings: having examined several possible restructuring scenarios - consolidation at national level, sectoral integrations such as that achieved by airbus, a global integration grouping -, the Commission considers that in the short term the most effective solution is that offered by European, preferably multi sectoral configurations (civil and military aircraft, various activities in the space sector, etc.). (b) RTD support: in the Fifth Framework Programme the Community research effort will be centred around the opposed key action 'new perspective in aeronautics' while the industry would also benefit from other activities under the programme. Also in the domain of space technologies and space applications the Commission will ensure a coherent approach in its RTD actions under these different specific programmes of the Fifth Framework Programme as well as reinforced coordination with the national space agencies and the European space agencies programmes. (c) defence procurement issues should be addressed as a matter of priority. The Commission proposes the establishment of a European defence procurement regime accompanied by a harmonization of technical and operational specifications. (d) adoption of the European company statute. This restructuring tool should be put at the disposal of the aerospace industry as an efficient means of blending the European and national identity structured companies. (e) creation of a European aviation safety authority: establishing a single legislative framework and a single certification process for all aeronautical products to facilitate the worldwide promotion of European safety standards. With regard to external trade aspects, in March 1992, the Commission, with the support of the Member States and the industry launched a review of the EU/USA bilateral agreement on trade in large civil aircraft. Furthermore, the Commission will remain vigilant with regard to any market access problems which may arise in the aerospace sector of third countries. As far as export promotion is concerned, the Commission is fully aware of the importance of ensuring that aerospace purchasing decisions are made on the basis of fair and objective commercial and technological factors and that European products receive due consideration.

European aerospace industry meeting the global challenge

1997/2223(COS) - 19/11/1998 - Text adopted by Parliament, single reading

In adopting the report by Mr Karsten HOPPENSTEDT (PPE, D), the European Parliament welcomed the Franco-German-UK declaration of 9 December 1997 expressing a desire for a European-level restructuring of the military and civil aerospace industry, and the letter of intent signed on 6 June 1998 by the Ministers of Defence of these countries, Spain, Italy and Sweden encouraging the consolidation of their respective defence industries. Stressing that Europe needed powerful integrated industrial groupings, it endorsed the transformation of Airbus Industrie into a single corporate entity. It pointed out the importance of the joint development of the next generation of military airframes. It expressed its concern that the Commission was failing to tackle the disastrous decline in industrial employment, which was likely to amount to 13% by 2010, and called on the Commission to present strategies for protecting jobs, thereby shouldering the responsibility for employment which it shared with Member States. However, it regretted the absence of any significant European prime contractors in communications satellite groupings and the lack of political will for Europe to produce a global navigation satellite system (GNSS). In the social field, it recalled the importance of the industry in terms of jobs and urged European aerospace companies to set up European works councils. The European Parliament called on the Commission to establish a framework of incentives for joint transnational research and development activities.