COUNCIL DECISION

of 25 June 1996

on the implementation of a Community action programme to strengthen the competitiveness of European industry

(96/413/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 130 (3) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament [1],

Having regard to the opinion of the Economic and Social Committee [2],

Having regard to the opinion of the Committee of the Regions [3],

(1) Whereas the heads of State or Government, meeting as the European Council on 10 and 11 December 1993 in Brussels, endorsed the White Paper 'Growth, competitiveness and employment' as the terms of reference for action by the European Union and its Member States, supporting an approach to industrial development based on global competitiveness, a factor generating growth and employment;

(2) Whereas on 22 April 1994 the Council adopted conclusions on improving the competitiveness of European industry, based on the said White Paper;

(3) Whereas, on the basis of a Commission communication of September 1994, the Council adopted the resolution of 21 November 1994 [4] on the strengthening of the competitiveness of Community industry, which stressed in particular that a competitive innovatory industry in the Community is a prerequisite for lasting economic growth and the creation of new jobs; whereas the framework conditions for competitiveness and competition must be improved so that the European Union remains an attractive location for business leading to the creation of new firms and new jobs;

(4) Whereas on 10 October 1994 the Council adopted a resolution in support of the Commission's integrated programme in favour of small and medium-sized enterprises and the craft sector;

(5) Whereas the Cannes European Council on 26 and 27 June 1995 welcomed with great interest the report of the Advisory Group on Competitiveness (Ciampi Group);

(6) Whereas on 29 June 1995 the European Parliament adopted a resolution on the Commission communication on an industrial competitiveness policy for the European Union;

(7) Whereas industrial production and services increasingly complement each other; whereas, consequently, a competitive industrial sector is indispensable in order fully to exploit the possibilities of job creation in the service sector;

(8) Whereas the internal markets in energy and telecommunications must be completed with a view to rapid strengthening of the competitiveness of this sector and of industry in general;

(9) Whereas economic and social cohesion and the competitiveness of European industry are linked in that competitive European industry can contribute to cohesion and cohesion can provide industry with the benefits of a wider commercial and geographic base;

(10) Whereas the maintenance and improvement of industrial competitiveness is primarily the task of business and it is for the Community and the Member States to ensure that the necessary conditions prevail; whereas it is particularly urgent that the Community and the Member States, within the framework of their respective powers, adopt measures to that effect;

(11) Whereas accelerating technical progress, increasing globalization of markets, intensification of international competition and the increasing importance of enviromental protection require greater efforts from all those with responsibility in the economic, political and social fields in order to facilitate the necessary structural adjustments, *inter alia*, to ensure sustainable development, and to create new jobs;

(12) Whereas greater attention to the needs of the market in terms of research policy and the establishment of the information society will have a determining influence on all the European Union's industrial activities;

[1] OJ No C 308, 20. 11. 1995, p. 470.
[2] OJ No C 39, 12. 2. 1996, p. 1.
[3] OJ No C 100, 2. 4. 1996, p. 14.
[4] OJ No C 343, 6. 12. 1994, p. 1.

(13) Whereas it is necessary to avoid distortions of competition and to promote the opening up of markets both within and outside the Community;

(14) Whereas the development of human resources, especially through vocational training, constitutes an essential aspect of the structural adjustments which are necessry in order to increase industrial competitiveness;

(15) Whereas it is necessary to clarify the legal bases for measures taken in the industrial sphere to implement the action announced in the communication on an industrial competitiveness policy for the European Union;

(16) Whereas investment plays a strategic role in the strengthening of industrial cooperation which, in view of its multiplier effect, constitutes a priority instrument in social and economic development and in bringing nations closer together,

HAS DECIDED AS FOLLOWS:

Article 1

The guidelines in the action programme set out in Annex are hereby adopted, to strengthen the competitiveness of European industry, which is a prerequisite for lasting economic growth and the creation of new jobs and will contribute to economic and social cohesion; the programme has the following objectives:

(a) to modernize the industrial role of public authorities in order to eliminate unnecessary legal and administrative constraints on enterprises, particularly small and medium-sized enterprises;

(b) to ensure undisturbed competition both internal and external to the Community;

(c) to strengthen industrial cooperation;

(d) to promote intangible competitiveness factors.

Article 2

Each year the Commission shall send the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions a report evaluating the results obtained together with, where necessary, appropriate proposals.

Done at Luxembourg, 25 June 1996.

For the Council

The President

M. PINTO

ANNEX

ACTION PROGRAMME TO STRENGTHEN THE INDUSTRIAL COMPETITIVENESS OF THE EUROPEAN UNION

Principal guidelines

1. Implementation of the initiatives announced in the Communication on an industrial competitiveness policy for the European Union in the areas of:
   - — intangible investments,
   - — industrial cooperation,
   - — industrial aspects of competition,
   - — modernization of the role of the public authorities.
2. Facilitating the emergence of the learning society, mainly by promoting continuing training.
3. Development of industrial cooperation in the light of the particular situation in countries in:
   - — Central and Eastern Europe, the Baltic States and the CIS countries,
   - — the Mediterranean and Latin America,
   - — Asia,
   - — the ACP and southern Africa.
4. Strengthening and deepening of the relationship between the European Union and the United States, mainly through support for the Trans-Atlantic Business Dialogue.
5. Establishment, in collaboration with the competent commercial policy committee, with national administrations and with industry, of a database on the obstacles faced by European companies in third countries, market by market.
6. Examination of the issue of relocation of industry and services and report on the results to the Directors-General of Industry.
7. Improving the functioning of the internal market, in particular with a view to speeding up the standardization process and to strengthening the efforts to coordinate national initiatives to assist companies facing barriers to trade in the European Union.
8. Examining and enhancing the complementarity between industrial activities and related services.
9. Annual report on the development of the competitiveness of European industry, based in particular on the information obtained for the *Panorama of European Industry.*
10. Regular progress reports to the Directors-General of Industry on progress with this action programme and on possible adjustments to the programme for subsequent years.