

Secretariat of the Committee on the Internal Market and Consumer Protection
The Secretariat

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DA/nt

Compromise AMs
on the Opinion
on a New Industrial Strategy for Europe
2020/2076 (INI)
Rapporteur: Adam Bielan

CA 1

AM 1 (Rapporteur), AM 3 (Renew), AM 7 (S&D)

Paragraph -1 (new)

Underlines that the COVID-19 pandemic has severely impacted the European and global economy, both in terms of public finances and the private sector's capacity to provide employment opportunities and invest resources in assets or innovations; it has also caused delays both in manufacturing and in obligatory adaptations stemming from legislation; moreover, it has shown the EU's dependence in certain strategic value chains; believes that the Commission should consider measures, including through governance policies, that will ensure the proper functioning of the Single Market and the resilience and autonomy of strategic sectors of European industry;

CA 2

AM 3 (Renew), AM 6 (S&D) AM 9 (Rapporteur), AM 10 (EPP)

Paragraph 1

Expects, therefore, that the Industrial Strategy, prepared prior to the outbreak and published at an early stage of the pandemic in Europe, will require substantial revision, to reflect the change in the economic outlook and the new mission of the Commission: namely to focus on **industrial transition** and to return economies across the EU to growth and to **tackle widening divergences by strengthening the economies of the Member States**, both north and south and east and west; **in this context, calls on the Commission to define comprehensive, ambitious and sustainable efforts,** to the benefit of citizens and businesses; **considers that a common European approach is needed for this;**

CA 3

AM 13 (Renew), AM 22 (Renew)

Paragraph 1 a (new)

Underlines that the Commission must act to remedy disruption to the Single Market; underlines further that the Strategy should not simply restore the Single Market to its previous position, based on eliminating disruptions linked to COVID-19 pandemic; considers that such industrial policy should also deliver more resilient and sustainable development, remove the remaining unjustified barriers to the single market, including in services, and ensure the effective and fair implementation, application and enforcement of Single Market rules;

CA 4

AM 16 (S&D), AM 17 (GUE/NGL)

Paragraph 2

Calls for the Commission to undertake, together with Members States, a comprehensive and cross-sectoral analysis of the economies within the EU, in order to understand the depth of impacts felt by the COVID-19 pandemic, **and to assess the extent of disruptions in cross-border value-chains**; considers this an essential evidence base in order for the Commission to issue updated recommendations and determine the key policies that will act to strengthen a collective long-term recovery within the Single Market **that leaves no one behind**;

CA 5

AM 21 (S&D), AM 22 (Renew), AM 25 (Rapporteur), AM 26 (EPP)

Paragraph 3

Considers that, based upon the comprehensive evidence base, the Commission's new Industrial Strategy should prioritise sustainable and fair economic recovery, the digital and green transitions and citizens' and consumer welfare and opportunities, so as to underline the common commitment to rebuilding and strengthening the resilience of the Single Market **and European industry** and deliver benefits for all Member States, their citizens and **businesses**; **calls on the Commission to pay close attention to the principles of Better Law-making, including the specific assessment of Commission proposals to consider respect for proportionality, so as to ensure that all efforts support the development of a strong Single Market; recalls in that regard the "One-in, one-out" principle endorsed by the Commission to reduce administrative bureaucracy;**

CA 6

AM 19 (S&D), AM 20 (ID), AM 31 (Renew), AM 34 (Renew)

Paragraph 3 a (new)

Emphasises that it is vital to strengthen the resilience of the industrial ecosystems of the Single Market, which requires an ambitious legislative framework, including addressing the competition and state aid frameworks; welcomes the 14 ecosystems identified by the Commission and the need to refocus some of their critical activities towards the Internal Market, which should contribute to resilience of the European Industry, strengthen its autonomy and reduce dependence on third countries;

CA 7

AM 32 (S&D), AM 82 (S&D), AM 85 (Verts/ALE), AM 89 (EPP), AM 90 (GUE/NGL), AM 91 (Renew), AM 102 (EPP), AM 105 (S&D), AM 107 (S&D), AM 108 (EPP), AM 118 (S&D)

Paragraph 3 b (new)

Recalls that during the Covid-19 pandemic, several critical sectors, such as the food, pharmaceutical and health sectors, and their supply chains have been massively disrupted, forcing producers and processors to identify new suppliers and find alternative market outlets; underlines that only after an in-depth impact assessment, a revised Industrial Strategy should drive the necessary changes in a fair and sustainable way in order to avoid the future collapse of supply chains and production standstills in critical sectors as a result of relocations, and to ensure that the EU is no longer dependant on imports of essential goods and medicines from third countries in the event of a new crisis, while guaranteeing the competitiveness of the EU's economy;

CA 8

AM 37 (Renew), AM 38 (Verts/ALE), AM 39 (Rapporteur), AM 40 (EPP), AM 43 (S&D)

Paragraph 4

Stresses that EU industrial competitiveness relies **not only on well-functioning supply chains and the free movement of goods, but especially** on a fully functioning Single Market in Services; **recalls the ongoing ‘servitisation’ process of industry**; underlines that the Commission must consider how to **deepen the Single Market for** cross-border services as part of any revised set of priorities, given its well-documented potential for boosting competitiveness and growth across the EU; calls on the Commission to address the existing unjustified regulatory and non-regulatory internal market barriers sometimes stemming from restrictive and complex national rules, limited administrative capacities and imperfect transposition of EU rules, as well as their inadequate enforcement, while maintaining a high standard of consumer protection; **highlights the importance of more flexible and transparent governance to the further integration of the internal market and its industry through improved monitoring, performance and eGovernment tools such as the Internal Market Scoreboard, a strengthened SOLVIT network and the Digital Gateway**;

CA 9

AM 24 (GUE/NGL), AM 33 (Renew), AM 46 (S&D), AM 47 (Renew), AM 50 (Verts/ALE), AM 51 (Rapporteur), AM 95 (EPP), AM 109 (Verts/ALE), AM 115 (Verts/ALE)

Paragraphs 5 and 5 a (new)

5. Underlines the importance ***that Europe becomes a global role model of*** sustainability, which is central to plans to develop European industry, **and stresses the need to advance the circular economy and encourage sustainable production by offering incentives for innovation;** recalls that a successful transition towards a more sustainable Single Market requires an increased level of trust between Member States; considers that a new Industrial Strategy should focus, among other things, in line with the Green New Deal, on the creation and development of ecological industries; ***underlines the need to strengthen European industry to support the development of new, harmonised markets to deliver the circular economy; highlights the importance of the internal market in reusing prime and secondary raw materials, in full compliance with the applicable legislation;***

5a. Recalls the European Council conclusions of 12 December 2019, highlighting the need to establish a framework for actions that benefits all Member States **and specifying that all relevant EU legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate neutrality objective, while preserving the EU's competitiveness;** calls, therefore, for adequate instruments, incentives and investments to ensure a cost-effective and just transition; believes that this framework should take into account different national circumstances in terms of starting points; stresses that the revised Industrial Strategy needs to contribute to a more sustainable internal market, ***while at the same time taking into account the need to strengthen consumer protection;***

CA 10

AM 35 (Renew), AM 52 (Renew), AM 53 (Verts/ALE), AM 54 (EPP), AM 58 (S&D), AM 59 (Rapporteur)

Paragraph 6

Underlines that a strong public sector alongside a prosperous industry can actively contribute, with investment and industrial infrastructure development, to facilitate the necessary transformation of the EU's economy and society, required also by the objectives of the European Green Deal; recognises in that context that most parts of the public and private sectors will encounter significant financial constraints in the coming years; highlights further that the transformation will be capital-intensive and should reflect the constraints on investment faced by industry, as well as the additional constraints on the budgets of the Member States, resulting from the COVID-19 pandemic; encourages, therefore, the Commission to have an active and open dialogue with all industrial sectors and relevant stakeholders, making sure that changes introduced by new legislation do not have a negative impact on the Single Market; expresses concern about an unequal pace of development, particularly in less developed parts of the EU, and in the outermost regions, where achieving transformation demands more significant actions; strongly calls on the Commission in its revised Industrial Strategy to adopt a model with flexibility and support to in order that no one is left behind; recalls in that context the European commitment and approach in the form of the Commission's Recovery Plan for Europe to further facilitate achieving the general objectives of the EU;

CA 11

AM 55 (EPP), AM 62 (S&D), AM 94 (EPP), AM 113 (EPP)

Paragraph 6 a (new)

Emphasises the importance of the digitalisation of EU industry, including in relation to the verification of industrial input materials before they enter the internal market; underlines that new technologies such as artificial intelligence (AI), the Internet of Things (IoT) and robotics play an important role, proportional to their potential to contribute to development of industrial processes and innovations, offering benefits for consumers through innovative products and services and for businesses through optimised performance; calls on the Commission, therefore, to implement a single European digital and data market to facilitate cross-border opportunities across the entire EU for businesses and citizens, and to invest significantly in resilient, secure high-speed networks available in all regions, in AI, the data economy, and smart and 3D production; underlines further that industrial policy should take into account the Union's legal framework for consumer safety and liability, and should adapt in due time to technological developments, in order to ensure a high level of consumer protection, trust in new technologies and legal certainty for businesses;

CA 12

AM 65 (S&D), AM 66 (Rapporteur), AM 67 (Renew), AM 68 (EPP), AM 70 (Renew), AM 71 (S&D)

Paragraph 7

Highlights the significant role public procurement plays in shaping the trajectory of European industry and **could help foster market for innovative and sustainable products, also through encouragement of the existing voluntary Green Public Procurement framework; considers the benefits of public procurement policies could be further realised if relevant legislation is correctly implemented, harmonised and simplified; encourages the Commission to carry out an in-depth analysis of how equating social and environmental criteria with economic criteria could benefit the European public procurement framework, with special attention to how efficiently taxpayers' money would be spent, the level of increase in the participation of the SMEs, and the impact on strategic investments; stresses that European market for public procurement offers significant opportunities for companies located both within and outside the EU; underlines therefore the need to recognise the reciprocity principle, in particular when European companies are denied equal opportunities in third countries; notes, in this regard, the Commission's White Paper on levelling the playing field as regards foreign subsidies (COM(2020)253);**

CA 13

AM 73 (GUE/NGL), AM 74 (EPP), AM 75 (S&D), AM 76 (S&D), AM 77 (EPP), AM 78 (Renew), AM 86 (EPP)

Paragraph 8

Believes that the rules that govern competition in the EU should be modernised, so as to be adequate both to ensure the integrity of the European **single** market and for the global economic context, support formation of European contenders capable to compete with global leaders, aid Member States at achieving technological leadership and to block hostile takeovers of strategic companies in EU; in the interim, calls on the Commission to ensure that the temporary frameworks approved for state aid do not distort competition within the Single Market in the medium to long term; **considers also important to protect the interest of SMEs, micro-enterprises and start-ups;** calls on the Commission, at the same time, to **allow for effective use of state aid in the Member States when it is vital to avoid substantial economic disruptions; highlights that dysfunctional competition limits consumers' choices and undermines their welfare;**

CA 14

AM 85 (Verts/ALE), AM 87 (S&D), AM 88 (S&D)

Paragraph 9

Emphasises that the Industrial Strategy should support the principles of free, **fair and sustainable** trade and the EU's commitment to working with our global partners **on the reform of the multilateral trading system**; calls on the Commission to clarify how it intends to maintain these commitments while promoting the emergence of global leaders originating in Europe;

CA 15

AM 45 (Renew), AM 61 (S&D), AM 97 (Rapporteur), AM 99 (S&D), AM 100 (S&D), AM 102 (EPP)

Paragraph 10

Recalls numerous sectors, *such as mechanical engineering, logistics, food, pharmaceuticals, medical devices, automotive and aviation,* that are fundamental to the European economy and in which **Europe should maintain its leadership; recalls further that these sectors are under constant pressure** from many of the transformations expected in the future economy and have been deeply affected by the impact of the COVID-19 pandemic; considers that the revised Industrial Strategy should foresee particular actions for these sectors, especially the aviation and automotive sectors, including appropriate financial support, and, for the automotive sector in particular, actions to **stimulate demand for vehicles as a part of removing older models from roads across the EU and replacing them with low-emission and zero-emission models through buyback and replacement schemes and to remove any obstacles to innovations on the market by unblocking type approval and registration of the latest-technology vehicles and investing in future-oriented infrastructures like recharging and re-fuelling stations**; calls on the Commission to consider postponing the implementation of legislation whose application could have been impacted by the COVID 19 crisis;

CA 16

AM 96 (EPP), AM 104 (Rapporteur), AM 116 (Rapporteur)

Paragraphs 10 a and 10 b (new)

10a. Stresses the importance of measures and information channels to help micro, small and medium-sized enterprises and start-ups to effectively digitise and advance into ‘industry 4.0’; calls on the Commission and the Member States to offer support to start-ups and SMEs via additional financial commitments to the Single Market Programme and Digital Innovation Hubs to develop and deploy their products and thus enable them to fully realise their potential for growth and jobs in Europe, including through the formation of European value chains with respect to sustainable objectives; stresses the importance of coordination with other important global players in emerging technologies, so as to create a globally compatible approach that would allow for free expansion of European companies, including SMEs, on global markets, and not only European markets;

10b. Considers projects with European support play a key role in strengthening different dimensions of the Internal Market, in view of their significant scale and use of financing; recognises in that regard the importance of building new partnership in strategic areas, such as the European Battery Alliance (EBA), in order to rebuild sustainable supply chains in Europe;