

Services and industrial policy

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Peder.Christensen@ec.europa.eu



European Commission
Enterprise and Industry

Industrial policy and services (1)

- Services are the main driver of growth and jobs
- Industry depends on competitive business related services
- Poor productivity development of service sectors.

Industrial policy and services (2)

- Not sectors but value chains
- Manufacturing value chains incorporate services at various stages
- Services are crucial inputs to manufacturing

Industrial policy and services (3)

- Technology and service innovation in dynamic interaction, for example:
 - Service innovation is about technology diffusion (push)
 - Technology innovation is about lead service markets (pull)
- Often innovation is about a new combination of «hard» and «soft» factors (technology with new business models providing innovative services)
- Better functioning service markets are an aim in themselves, but will also be a catalyst for technological innovation

Industrial Policy Communication: A “fresh” approach to Industrial Policy

- Promoting competitiveness and sustainability
- Integrating full range of EU policies
- Member States: improving the business environment
- Regular reporting competitiveness policies and performance

Key actions

- Improving the business environment
- Strengthening the Single Market
- Industrial innovation strategy
- Promoting Sustainability
- Facilitating industrial change
- Capitalising on globalisation
- Improving sectoral policy frameworks
- Member State competitiveness

Strengthening the Single Market

- Single Market
 - Improving market surveillance
 - Creating a single market for business services
 - IPR enforcement
- Improving infrastructure
 - address transport and energy bottlenecks
 - continue to liberalise energy markets
- Faster standardisation

Commission Communication on business related services 2003

- Market integration and competition is not vigorous enough
- Input lacking in quality and quantity (labour, ICT, capital)
- Outputs not sufficiently transparent (standards), valued (intangibles) or documented (quality)
- Provision limited in less developed regions
- Knowledge about the sector is scarce (statistics) hampering decision making

Policy challenges for business related services?

- Complete internal market for services?
- European standards for services?
- Specific programmes to support service “gazelles”?
- Awareness building (statistics)?
- ?

High Level Group on business related services

- Industrial Policy Communication and Single Market Act
- Focus on logistics, facility management, marketing and advertising
- Market gaps, innovation and standards
- Organisation: as other past High Level Groups?
- Timing: first meeting end of 2011. Report with recommendations end 2012/begin 2013?