



STATE OF THE UNION 2017

INDUSTRIAL POLICY STRATEGY

A holistic strategy and a strong partnership in a new industrial age

A prosperous Europe needs a successful industry with a strong manufacturing base

Industry is the engine of innovation, productivity, growth and exports. Industry offers quality jobs to Europeans.

Europe's industry is strong and has retained a globally leading position in many sectors. However, in a changing world with increasingly competitive global markets, our industry must adjust and adapt to remain ahead of the curve. This requires modernisation: embracing digitisation and technological change, integrated products and services, the development of less polluting and less energy-intensive technologies, the reduction of waste and investments in a workforce with the right skills.

EUROPEAN INDUSTRY AT A GLANCE



The **EU is a world leader** in many industrial sectors, such as pharmaceuticals, chemicals, mechanical engineering and fashion industries.



Industry accounts for **68% of the EU's exports**.



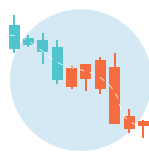
32 million people have a job in European industry.



Industry is **undergoing a deep transformation**: new technologies, the need for greater resource efficiency, new business models, greater consumer demand for manufacturing activities being bundled with services.



Industry is recovering from the financial and economic crisis. **Over 1.5 million new jobs** have been created in industry since 2013.



Since the financial crisis, the drop in investment is now reversing, but we still face a **shortage of ICT skills** and a growing **innovation gap** with South Korea and Japan.



About **17% of total value added** in the EU comes from manufacturing. **1 job** in manufacturing **creates up to 2.5 other jobs across the value-chain**.

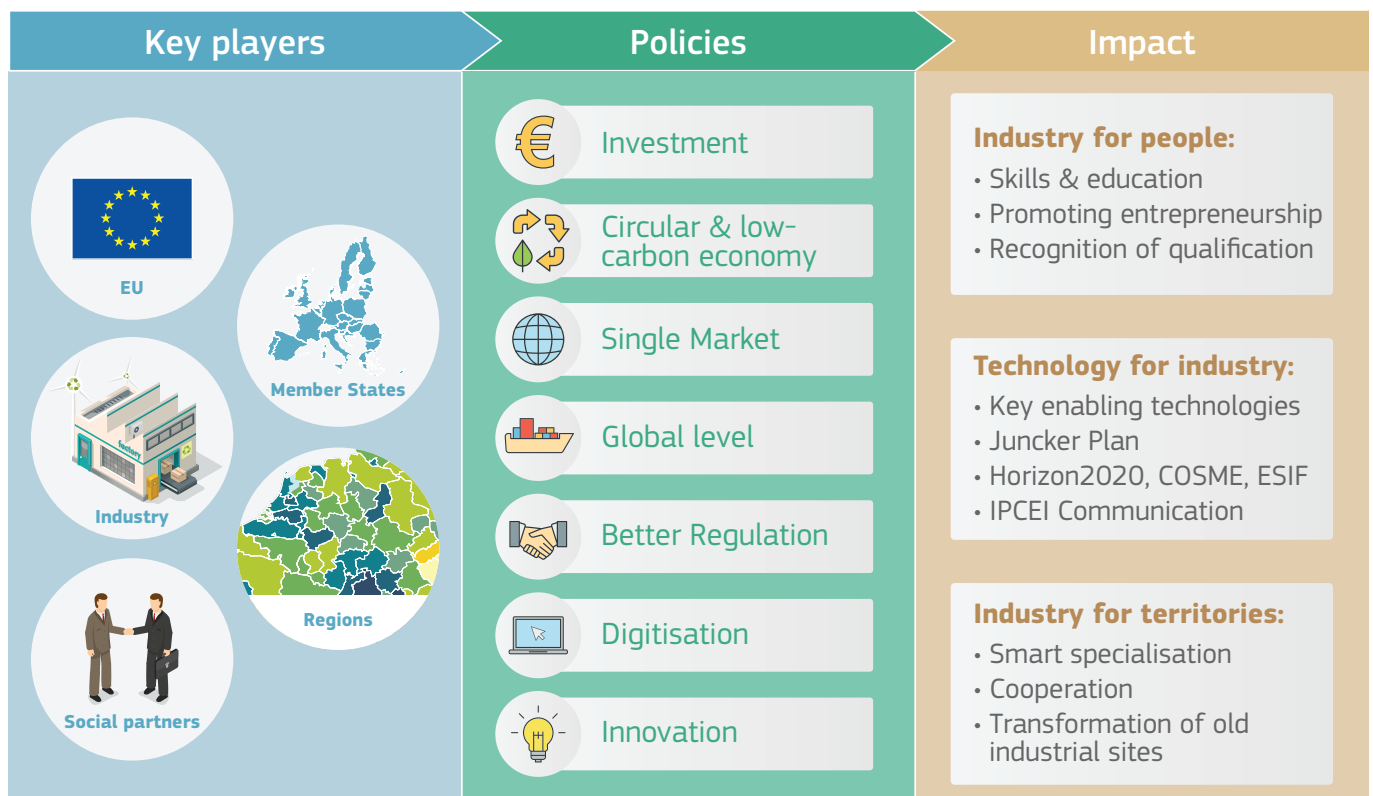
A HOLISTIC STRATEGY AND A SHARED EFFORT

The Commission has a comprehensive industrial policy strategy – a strategy that empowers industries to create jobs and growth, defends its regions and workers most affected by industrial change and both reinforces and protects Europe's leadership, competitiveness and technological cutting-edge.

The responsibility for making this strategy fully operational is a shared one, relying on the efforts, cooperation and ownership of the EU institutions, Member States, regions and most importantly on the active role of the industry itself.



INDUSTRY ECOSYSTEM



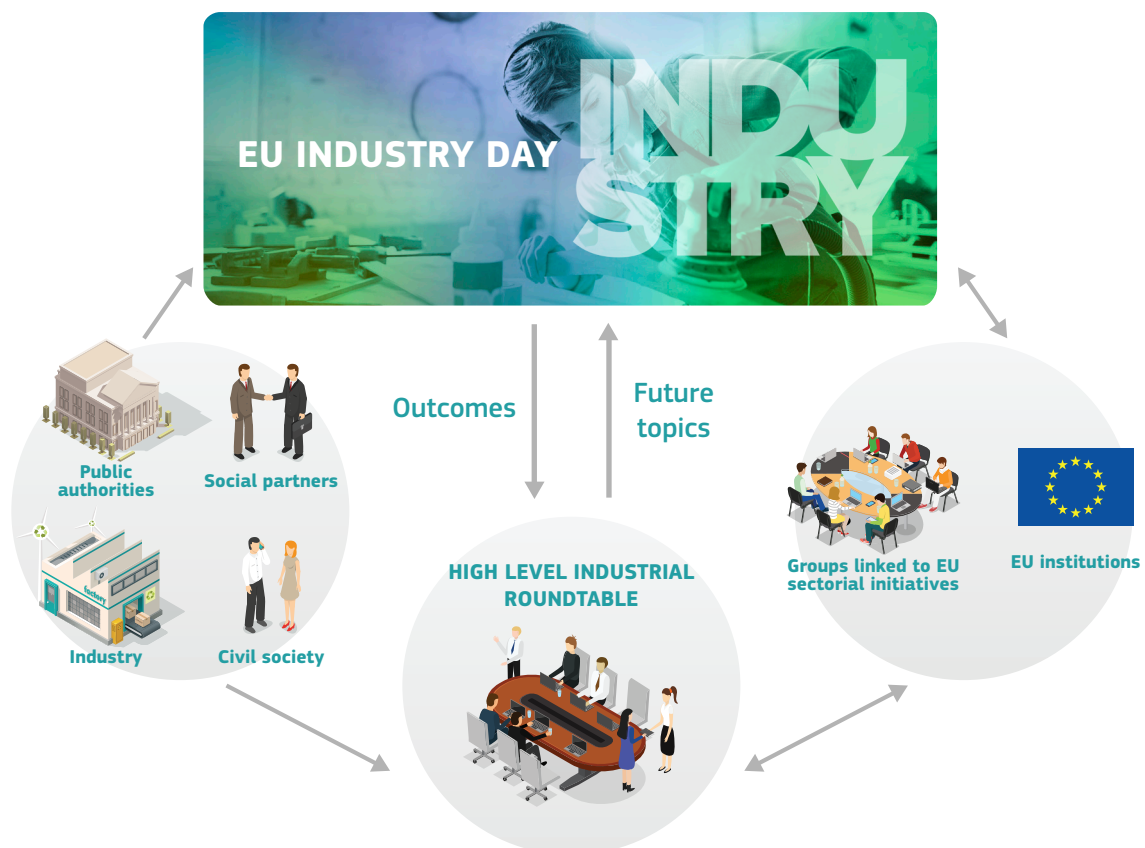
AN OPEN AND INCLUSIVE DIALOGUE

To make sure that European industry keeps its competitive edge, an open, inclusive and collaborative dialogue is necessary.

In February 2017, the Commission organised the first edition of the **Industry Day** involving all relevant stakeholders ahead of the Spring European Council to ensure that our policies at European, national, regional and local levels work together to enable European industry to deliver jobs, growth and innovation in Europe and to highlight new emerging industrial, societal and environmental trends that may need a policy response.

A **High Level Industrial Roundtable** will be set up in 2018 with representatives of national, regional and local authorities, industry, social partners and civil society. The Roundtable will provide feedback on the Commission's initiatives and actions, and advise on the implementation of industrial policy at different levels.

The Commission will continue to work closely with the European Parliament and looks forward to the European Council regularly taking stock of progress in this regard.



The EU is putting a lot of effort and money into smart, innovative and sustainable industry that stays and prospers in Europe. The **opportunities are there for industry** – and the European Union as a whole – **to embrace**.