



Presentation of the priorities of the Bulgarian Presidency of the Council of the EU
in the area of industrial policy

before the

Industry, Research and Energy Committee of the European Parliament

Emil Karanikolov, Minister for the Economy,

Brussels, 23 January 2018

Mr President,

Honourable Members of the European Parliament,

I am grateful for the opportunity to present our priorities as Presidency of the Council, especially given the importance of cooperating with the European Parliament on the positive development of the EU's industrial and space policy. We hope, in a spirit of continuity, to continue **the good cooperation** within the **presidency trio of the Council**, and especially **with the European Parliament** to achieve meaningful results.

In 2017, all across Europe, the economy, and industry in particular, achieved growth, and were therefore looking towards 2018 with more positive expectations. However, political developments in recent years, as well as systemic problems as a result of the global financial crisis, have shown a clear demand for reforms and for establishing a long-term framework for the development of industry, and last, but not least - for better communication with European citizens and businesses. The challenges faced by modern society, the rapid technological advances which led to abrupt changes in economic relations, and the remaining obstacles and barriers to the

development of European industry require active political work and policies which are closer to the day-to-day problems of European entrepreneurs.

Bulgaria, one of the newest Member States of the European Union, takes over the presidency of the Council at a crucial moment for Europe, a time when concerted efforts are needed to add extra energy and power to the integration project. We are aware that six months is not a long period of time, but as convinced Europeans, our ambition is to contribute to the development of the European Union, and also to industry, by protecting what has been achieved so far, and by contributing to future policies and solutions that we can offer jointly to European citizens.

We are approaching the Presidency with realism, with a keen awareness of our strengths and weaknesses, and with the clear intention **of being an honest mediator in finding rational solutions for Europe**. We will also follow this approach in our work with the European Parliament, taking into account the **role of the members of the European Parliament as direct representatives of the European citizens**. We will also work for continuity and continuation of efforts, for European successes are the exclusive fruit of joint efforts.

Speaking on **industrial policy** before the Committee on Industry, Research and Energy, I have the luxury of being among people who share the same views, especially given the great efforts you have made and continue to make for the development of a comprehensive EU industrial policy. Efforts to develop the competitiveness of European industry will form one of the main areas of our work, and we will therefore rely on good cooperation with the European Parliament in this field. The joint efforts of the Council and the European Parliament have contributed to the adoption of the first comprehensive EC Communication on industrial policy, covering the range of policies which affect the competitiveness of industry. Our efforts will now be focused on building upon this approach and on the political importance of the topic, and **working on a comprehensive and long-term EU strategy for industry**.

In order to respond to global economic processes and challenges, and to preserve Europe's competitiveness, a common industrial policy will be necessary with closer policy coordination, also at national level. In this respect, it will be of fundamental importance to formulate our common objectives, including long-term goals, for the development of European industry, bringing together the objectives of all EU strategic initiatives. As long as industrial investments require long-term predictability, the long-term nature of this policy will be crucial. Moreover, our global partners and competitors are already preparing and implementing long-term strategies for the development of their industrial sectors.

Enhancing Europe's competitiveness globally and digitally is of paramount importance to the European Union; stimulating innovation is a key factor for sustainable growth and increasing added value in the economy. The development of high-level economic sectors will contribute to enhancing Europe's competitiveness. Special emphasis should be placed on promoting innovation and investment in human capital development, in order to preserve talent and the spirit of innovation in Europe. Ensuring sustainable economic growth and prosperity in Europe also requires deepening the integration of the Single Market, removing the barriers to businesses, promoting investments, improving the access to financing for small and medium-sized companies, securing access to third-country markets, elaborating the systems of vocational education, stimulating the interaction between higher-education institutions and businesses, and developing public-private partnerships.

The development of **digital technologies** has a high potential and is a significant factor in supporting European competitiveness. The attraction of high-tech investments, and the development of digital innovations and promising production methods will reinforce the position of the European Union as a global leader. Digitalisation should cover as many sectors of the economy as possible. In this sense, it will be important for Europe to develop digital platforms and hubs and complex initiatives, such as Industry 4.0.

Having said that, our efforts at the informal and regular Competitiveness Councils will be focused on **creating a basis for long-term industrial policy** and on advancing the various initiatives to stimulate innovation and the digitalisation of industry in the EU.

Along with our common efforts to develop a comprehensive industrial strategy, we also plan to work on **specialised topics** related to European industry and European businesses:

The Council welcomes **the European Commission's initiative to support start-ups and growing businesses**. During our presidency we will work on the follow-up and will continue our efforts for better implementation, and we will report on the progress of the measures that are part of this initiative. Moreover, we will continue our work to give special consideration to small enterprises, to start-ups and to the expanding and medium-sized enterprises in their efforts to achieve a comprehensive and long-term EU industrial strategy.

Looking ahead to the next financial framework, we will also work on specialised policies, directed toward European businesses. In this regard, we expect the **interim review of the COSME programme** to provide feedback on the results and effectiveness of the programme.

We will also monitor closely the development of **European space policy**, including the core programmes of Copernicus, Galileo and Egnos. 2018 is a key year for the implementation of the Space Strategy for Europe, therefore we have planned to hold a political debate in March on the future of the European Space Policy. The key issues will be preserving the competitive advantages of the European space sector in the context of rapidly growing international competition, the development of major EU programmes, work on autonomous access to space, and the promotion of sectoral growth, especially in the context of the opportunities created by the data revolution.

Last but not least, building on the good progress made in the Council during the Estonian Presidency, we will work together with the European Parliament to start the negotiations and to adopt, as soon as possible, the **European Defense Industry Initiative**, so as to ensure the timely launch and implementation of the programme for the development of this strategic European industry, which will provide, among many other things, over half a million highly-qualified jobs.



Thank you for your attention!