



BUSINESS Forum

BDI - Confindustria

Bolzano, 15 -16 October 2015

Common Declaration

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The industrial associations of Italy and Germany, **Confindustria and BDI**, on the occasion of the 5th edition of the Italian/German Business Forum in Bolzano, **want to reaffirm their commitment for a strong Europe, underpinned by the principles of responsibility and solidarity.**

Europe's difficulty to deal with a long crisis - whether they are financial, humanitarian or reputational problems - has at its basis the lack of a common vision for a political Union. The lack of shared solutions contributed to the escalation of the economic crisis and now risks to make the migration crisis spin out of control, creating fertile ground for the rise of anti-EU instances.

The entrepreneurs of Italy and Germany urge their Governments to show leadership defining a roadmap to equip the Eurozone with all the elements needed to ensure its stability: a fully-fledged banking union, a mechanism to help adjustment in Member States hit by asymmetric shocks, the development of a fiscal capacity managed at the Eurozone level. The same approach must be used to find a sustainable solution to the migration crisis.

At the same time, **the completion of the Economic and Monetary Union must go hand in hand with the completion of the single market**, starting from a connected digital single market and a resilient energy union with a forward-looking climate and energy policy.

A properly functioning single market would increase and be a driver for growth and jobs in Europe alongside with a recovery of consumer trust in European institutions.

In this respect, Confindustria and BDI believe that **a European integrated, competitive and functioning energy market is a prerequisite for strengthening the competitiveness of our industries.**

The convergence implemented so far by the European legislation on climate and energy has not allowed industry to fully reap the benefits of the internal market.

We believe that European industry should be able to reap concrete benefits from the internal energy market to reduce the gap towards global competitors and plan future investments in production and in technologies needed to contribute to the environmental objectives. For this reason national energy markets should be physically connected more closely and should be economically fully integrated. This market integration could start with closer regional cooperation and a common market based approach to take care of security of supply.

In the face of the big economic challenges of the next years, we believe that Europe needs to guarantee to all its consumers a diversified energy mix which can help achieve environmental targets without threatening the security of supply and being an obstacle to industrial growth.

Confindustria and BDI believe that the reform of the Emissions Trading Scheme should become the key instrument to reconcile Europe's environmental and competitiveness targets, while avoiding distortions in the internal market

We are truly convinced that the new legislative framework for 2030 must factor in a comprehensive and careful assessment of the outcome of the international negotiations in Paris at the end of 2015.

As long as our global competitors are not exposed to GHG emissions reduction costs according to a binding commitment comparable to that of European industries, Confindustria and BDI strongly believe that stable and effective measures need to be put in place to prevent a further loss of global competitiveness for our energy-intensive industries and to allow for more investment in manufacturing industries in the EU.

In a world which is increasingly interconnected, in which growing global competitiveness asks for new tools, new strategies and technologies, it is also essential for European industries to take the lead of the “fourth industrial revolution”.

A revolution that has made its first steps in Hannover in 2010, with a working group that has involved government, social partners, universities and public bodies, proof that it is necessary to act as a system to guide innovation and enable a change of era.

Confindustria and BDI vigorously support the necessity of fully exploiting the opportunities deriving from the digital transformation of European industry. This would allow businesses to reduce time-to-market, increase the flexibility and personalisation of products, make an intelligent use of technologies, data and information and create new IT based business models and therefore new jobs.

It is our belief that the target of a 20% share of industry in the EU’s GDP by 2020 can still be reached by leveraging digital potential and redesigning Europe’s industrial base.

Europe’s economic strength derives from its broad industrial basis and its quality products highly respected worldwide. Both our industrial organizations support the European Commission’s decision to set the challenges of this fourth industrial revolution among the top priorities of the European Union’s political agenda. We indeed need a European digital market that will enable all EU industries to innovate and compete on a global scale.

To achieve this, we believe that it is essential to define an integrated industrial policy that will facilitate the digital transformation of all economic sectors, especially manufacturing businesses and SMEs, that might need adequate assistance more than others to participate to new industrial value-added chains both at European and global levels.

Likewise, fast, solid and reliable network infrastructures are crucial for a “constantly connected” industry. To this end, the EU shall ensure proper competition and significant incentives to carry on with the investments on broadband network infrastructures.

There is also a need for active participation of European industries in the definition of international standards, which are increasingly shaping our digital future. Common efforts to ensure high protection against cybersecurity threats is another mandatory precondition for the success of the digital transformation.

Another main challenge Europe must address with urgency is linked to education systems. Nowadays, digital skills are a key factor for growth and are also crucial to reap the benefits of

the digital economy. The increasing demand for highly specialized skills, such as Big Data analysts, as well as cyber-security and cloud-computing specialists, proves it. This is a “skills crisis” that can only be solved by raising awareness of the strategic aspect of these positions in order to re-gain global competitiveness.

Recent electoral results show that **European citizens are ready to shoulder the burden of the tough reforms needed to boost competitiveness and to move forward with EU integration.** But for this to last, **policymakers must frame these efforts into a vision for a political Europe capable to deliver the benefits of EU membership.**

Firmly convinced about the value of close cooperation, BDI and Confindustria look forward to actively contribute – in close dialogue with their respective Governments and EU institutions – to the debate on how to strengthen European citizens’ confidence and to set a common vision for a political Europe.

Ulrich Grillo

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Giorgio Squinzi

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