

# THE NEW INDUSTRIAL STRATEGY FOR EUROPE

## Towards a resilient and sustainable post-pandemic recovery

November 2020 – March 2021

On 10 March 2020, just as lockdown was being announced in most European countries, the European Commission launched a **New Industrial Strategy for Europe**, highlighting its overarching ambitions for the transition towards climate neutrality and digital leadership.

These twin transitions – green and digital – cut across most EU policies. They are thought to be essential to Europe's competitive sustainability, its open strategic autonomy based on its economic and technological sovereignty, and its resilience to external shocks. In this regard, the New Industrial Strategy is framed around 14 different ecosystems which represent around 90% of the business value added in the EU. The so-called marguerite (daisy) below is the formation that conveys the concept of this strategy.

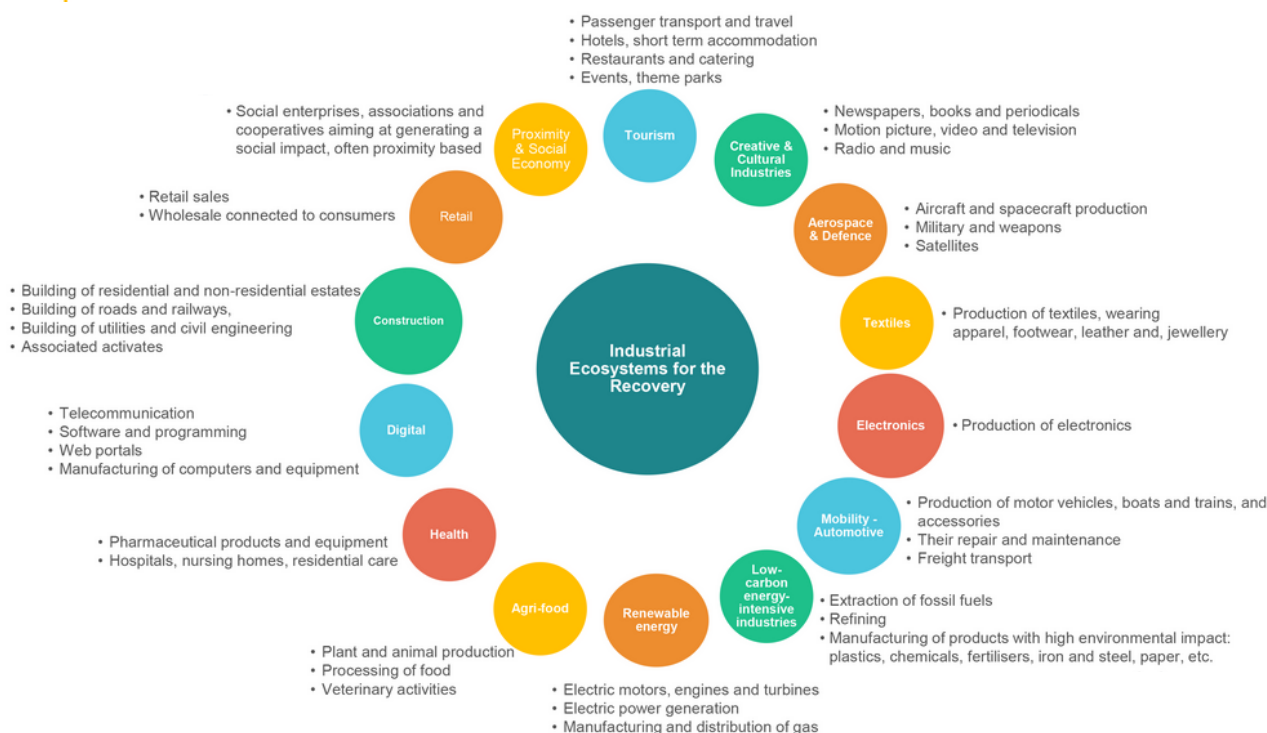


Figure 1 – Industrial ecosystems in Europe (European Commission 2020).

**Only six months down the road, however, and the New Industrial Strategy is facing unprecedented challenges, possibly warranting a thorough reconsideration.** The Covid-19 pandemic, the ensuing economic crisis and deteriorating multilateral order call for fresh priorities in terms of strategic autonomy and industrial transformation. The adoption of the resilience and recovery plan, **Next Generation EU**, is an important step in this direction, and its successful implementation is both a once-in-a-generation opportunity and an important test for the cohesion of the Union.

Against this backdrop, the New Industrial Strategy may have to refocus and adjust to enable the EU27 to overcome the current crisis in a way that protects the economy, society and the environment. It will also need to achieve higher levels of preparedness for future shocks and gradually transform the economy for greater competitive sustainability in the decades to come. This **'protect-prepare-transform' paradigm**, embodied in the Green Deal and highly valued by the European Commission, must now be mainstreamed into all aspects of EU policymaking, starting with the New Industrial Policy.

*A protect-prepare-transform approach aimed at achieving resilience and sustainability*

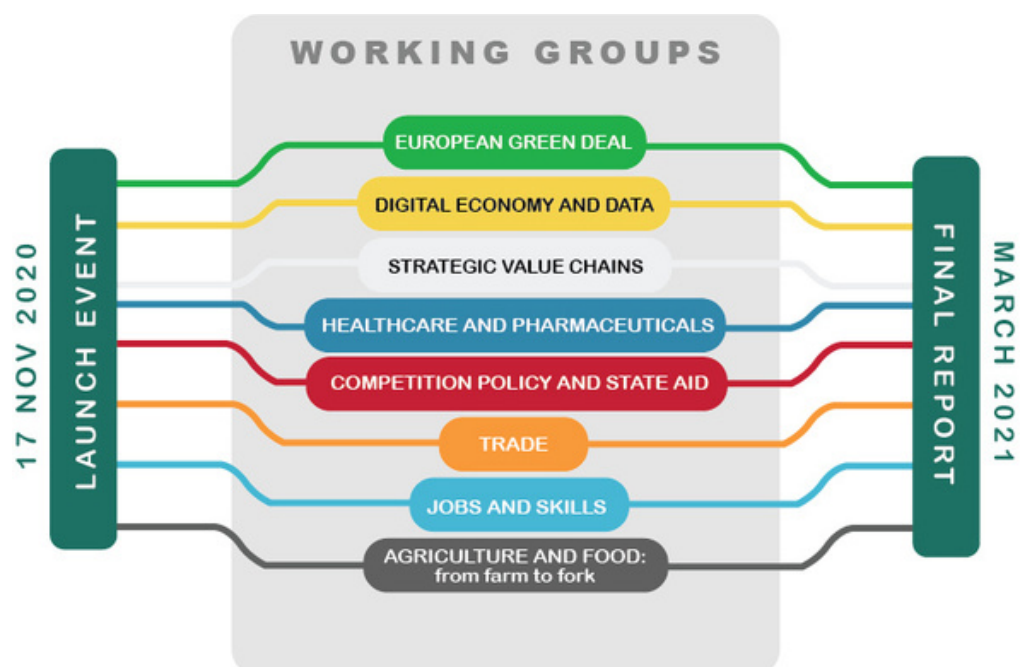
Since the Covid-19 pandemic, we at CEPS have reflected critically on our role and our responsibility in this delicate transition. As one of the biggest EU think tanks working across at least 20 different policy areas, we are uniquely placed to convene policymakers, industry experts, civil society and academics to discuss the priorities of the EU's industrial strategy with a multi-disciplinary, cross-sectoral approach. We can also support the EU institutions in relaunching Europe's economy by proposing concrete ideas and policy recommendations.

## Launch event: Tuesday 17 November 2020, 10.00-13.00 (CEST)

The Task Force was officially launched with a keynote speech by EU Commissioner for the Internal Market, **Thierry Breton**, and Chairman of the CEPS Board, **Joaquín Almunia**. This was followed by a high-level panel discussion.

A more detailed description of the structure and ambition of the Task Force was presented at this event. We invited policymakers, political figures, business leaders, civil society representatives and academics to offer their views on what the Task Force could, and should, achieve between now and March 2021. We have opened the call for participants and sponsors of the different Working Groups.

We will convene a number of parallel Working Groups, each dedicated to a different topic, and each structured around three online meetings, to be held between December 2020 and February 2021. All Working Groups will reconvene in a plenary session in March 2021, to take stock of the results of each stream of debate and develop a consolidated version of our policy recommendations.



# TASK FORCE WORKING GROUPS PRELIMINARY LIST OF TOPICS

## EUROPEAN GREEN DEAL

- Low-carbon markets in the EU and beyond
- Testing the tools with carbon-intensive EU industries
- Construction value chains in Europe

## DIGITAL ECONOMY AND DATA

- Speeding up the rollout of 5G in Europe: what are the options?
- Artificial Intelligence and industrial transformation
- The edge/cloud layer, data spaces and the future of GAIA-X: anatomy of Single Market 2.0

## STRATEGIC VALUE CHAINS

- Value creation and distribution: towards fairer, more resilient and sustainable value chains
- Strategic autonomy: what is missing for Europe's ambition?
- The token economy: easing financial transactions across value chains

## HEALTHCARE AND PHARMACEUTICALS

- EU's competitive strengths and weaknesses
- Research & Innovation and EU-wide coordination
- Performance of Pharma and Healthcare supply sectors within the EU and compared to the US and China

## COMPETITION POLICY AND STATE AIDS

- State Aids after Covid-19
- Mergers and Acquisitions as an industrial policy tool
- The New Competition Tool: what for?

## TRADE

- EU Trade and Sustainability
- A level playing field: foreign subsidies and FDI Screening
- EU trade relations: transatlantic and with Africa & WTO's Reform

## JOBS & SKILLS

- Labour market transformations during and after the pandemic
- Protecting and relocating: which skills, for whom and by whom
- Policies outside and inside the labour market

## AGRICULTURE AND FOOD: FROM FARM TO FORK

- Reforming the CAP to enhance sustainability
- The future of food policy: shorter, more sustainable value chains?
- Digitising Agrifood: what are the prospects?

## Organisation and Governance

The dialogue and final research output will be informed by the findings of the independent research conducted by CEPS and other relevant institutions working in the context of industrial policy in the EU. Each Working Group will contribute a chapter to the final report.

Each Working Group will be run by a Chair and a Rapporteur. The role of the **Chair** is to steer the meetings and moderate the discussions. The **Rapporteur** will set the agenda for the meetings, follow up on the discussions, conduct the research and draft the final report, in close cooperation with the Chair.

Participation in the Working Groups is limited to members of the Task Force, observers and selected invitees. The Chair will make sure that all discussions are balanced and evidence-based, making our modus operandi and final output truly multi-stakeholder.

The **Task Force members** are a group of stakeholders, industry representatives and observers (academics, policymakers, regulators, supervisory authorities, civil society organisations, consumer/investor associations, etc). Their role is to steer the research agenda of their Working Group's meetings and actively participate in the discussion and, together with the Chair, review their Working Group's chapter of the final report and comment on the list of recommendations. All participants (except for any special guests) are required to attend (or designate another person) for at least two of the three closed-door, online meetings and will be invited to the closing plenary dedicated to the launch of the final report. The roles are set out in detail in the Annexe.

## Call for Participation

Participation in the Task Force is subject to a fee to cover the research and organisational expenses. CEPS Corporate Members are entitled to receive a discounted fee, while non-members (with a commercial interest) will pay the full fee. Discounted fees will be considered for non-members if they decide to become a member of CEPS. Membership of the Task Force or Observer rights will be given to certain officials and academics upon invitation.

### The fee covers:

- The research carried out by CEPS for the purpose of this Task Force
- Organisational and logistical costs of all meetings and plenaries
- Web access and documentation
- Press release and communications management
- Editing costs of the final report (online)
- Distribution of the final report to key stakeholders in industry and policymaking

## Fee Structure (+21% VAT if applicable)

- A Task Force member may participate in as many Working Groups as s/he wishes
- Each Task Force member can join each meeting with up to three representatives

### CEPS CORPORATE MEMBERS

<b>Membership of the Task Force</b>	<b>€ 1,900</b>
<b>Sponsorship of 1 Working Group</b>	<b>€ 15,000</b>

### CEPS INNER CIRCLE MEMBERS

<b>Membership of the Task Force</b>	<b>Free</b>
<b>Sponsorship of 1 Working Group</b>	<b>€ 5,000</b>

### NON-MEMBER

<b>Membership of the Task Force</b>	<b>€ 5,000</b>
<b>Sponsorship of 1 Working Group</b>	<b>€ 20,000</b>

### OFFICIALS, EXPERTS & CIVIL SOCIETY

<b>Membership of the Task Force</b>	<b>Upon invitation</b>
<b>Sponsorship of 1 Working Group</b>	<b>Upon invitation</b>

## Sponsorship

We are providing the opportunity to sponsor each of the different Working Groups. The sponsorship fees will contribute to the overall success of the Task Force by ensuring that we promote a balanced discussion and produce carefully considered policy recommendations by inviting a diverse range of members. A sponsor will have the rights of a Task Force member and in addition, will receive the following benefits:

- The Working Group will be named 'in collaboration with [organisation]...'
- Opportunity to help define which topics will be covered in the three online meetings
- Opportunity to suggest expert speakers or presenters for the meetings
- Possibility to comment on the draft of the full report
- Inclusion of organisation's logo in the final report

All suggestions will be considered, but CEPS will have the final say in designing the programme and ensuring the quality of the meetings. CEPS reserves the exclusive right to accept/decline the speakers suggested.

For the latest details, please check the [Task Force webpage](#). To register your interest, please fill in the application form found [here](#). You may also contact us directly via [iptaskforce@ceps.eu](mailto:iptaskforce@ceps.eu).

### Principles and Guidelines for the Task Force

This appendix offers guidance to members of the Task Force and other parties wishing to understand the functioning of the initiative and the drafting process of the final report. Task Forces represent structured dialogues among industry representatives, policymakers, academics and other relevant stakeholders who discuss topics in dedicated meetings. The final report is the result of the research carried out independently by CEPS Rapporteurs.

### Participants

The **Chair** is an expert appointed by CEPS to steer the dialogue during meetings and to advise on the general conduct of the activities of the Working Group.

The **Rapporteurs** are CEPS researchers or associates who organise the Working Group, conduct the research independently and draft the final report.

The **Task Force members** are any individuals, such as academics, policymakers, regulators, supervisors, representatives of commercial companies, trade associations, consumer interests' groups, investors' associations, who participate in the activities of the Task Force in a personal capacity. They must have expertise in the topics discussed and provide input to the discussions through presentations and relevant material for the final report.

### 1. The role of the Task Force members

The Task Force members will:

- Steer the research agenda of their Working Group's meetings and the content of the active discussions;
- Contribute to meetings with active input, including targeted presentations;
- Support the research of the Rapporteurs and comment on the various drafts of their Working Group's chapter of the final report, including the possibility to produce written contributions report (subject to the Rapporteurs' approval and editing);
- Ensure that the research behind the final report adheres to the highest standards;
- Have access to all the documents and presentation made during the meetings;
- Contribute to the recommendations that will be discussed and added to the final report.

### 2. The role of the Observers

A group of policymakers, academics, consumer/investors' associations and independent experts may attend Task Force meetings. They will attend in an observer capacity, so they will not be required to provide a contribution (unless agreed otherwise). This group will also include speakers invited by CEPS to provide individual contributions to one or more meetings.

The lists of members of the Task Force and the Observers will be featured in the final report and on the CEPS website.

All members attend the meetings in a personal capacity and do not necessarily endorse the recommendations of the final report.

## **Objectives of the final report**

- The report is meant to contribute to the policy debate by presenting a balanced set of arguments, based on the discussions among participants and internal desk research.
- The report seeks to provide readers with a constructive basis for discussion. The authors will not seek to advance a single position or misrepresent the complexity of any subject matter.
- The report also fulfils an educational purpose, and is therefore drafted in a manner that is easy to understand, with technical jargon fully defined.

## **Drafting of the main text**

- In the main text, rapporteurs detail the results of the research carried out independently in the framework of the Task Force. This part of the report will refer to the discussions during the meetings but also to available data and literature.
- Scientific literature may be cited in this part of the report. Members are not expected to endorse any reference to this literature. A general disclaimer is inserted to clarify this aspect.
- The conclusions of each section will be clearly presented.

## **Use of data**

- The final report features data that are considered both relevant and accurate by the Rapporteurs.
- Task Force members are encouraged to contribute with any data or propose any source of data that rapporteurs consider as relevant.
- Task Force members may question either the relevance or accuracy of any given data. After consultation with the Chairman, the Rapporteurs may decide either to exclude this data or to mention these concerns in the main body of the text.

## **Drafting of conclusions and recommendations**

- The final report will feature a set of policy recommendations, drawn up by the Rapporteurs, which are meant to reflect the whole Task Force's discussions during the process. For a recommendation to be featured in the report, enough information needs to have been discussed in the open debates among Task Force members. In all cases, the report will seek to identify the points where there is some sort of common understanding of the issues.
- Both policy recommendations and the content of the final report will be summarised at the beginning of the report in the form of an 'executive summary'.
- Task Force members will be given ample opportunity to review their Working Group's contribution to the final report and provide their input on a draft version. Nevertheless, the authors (Rapporteurs) will be solely responsible for the content of the final report.