

“What can the European marine industry expect of Europe?”  
by Dr Sebastian KUCK, Cabinet of Vice-President A. Tajani  
European Commission

**This is not the speech itself but a summary of the intervention  
prepared by European Boating Industry**

**Recreational crafts: legislation and study**

- The EU recreational craft directive 94/25/EC, as amended by EU Directive 2003/44/EC, will be subject to a second revision and is expected to be concluded by June 2013. The directive’s revision will make progress on the simplification of the regulatory framework and on the protection of the environment. It will also provide a regulatory framework harmonised with other markets such as the US with regards to engine exhaust emissions.
- The EU directive on personal protective equipment (PPE) 89/686/EEC covering life-jackets, buoyancy aids and diving equipment, is also currently under revision.

For more info on the Directives’ revisions, please go to <http://europeanboatingindustry.eu/eu-affairs/technical.html>

- To analyse the specific needs of the recreational craft sector in Europe, the European Commission’s DG Enterprise & Industry will be commissioning a study on the competitiveness of this sector towards the end of this year. This study will help to identify main challenges and look into possible actions for policy to help improve its competitiveness.

**Tourism policy and future strategy for coastal and marine tourism**

- Tourism is one of Europe’s most important activities and a wider part of our industrial policy. It generates more than 5% of EU GDP. It employs over 5% of the total labour force, representing almost 10 million jobs.
- In line with the new competences for Tourism granted under the Lisbon Treaty (art. 195), the European Commission actively supports policy development for the tourism sector and has over the years highlighted the need for sustainable and competitive tourism at the European level.
- Since his appointment in 2010 as Commissioner for Enterprise and Industry, Vice-President Antonio Tajani has been deeply committed to developing the EU tourism sector.
- To support this commitment, on 30 June 2010, the European Commission adopted a Communication on tourism. The Communication sets out a 21 action plan to promote competitiveness, to create a sustainable quality development of the European tourism industry, and the promotion of Europe and its outstanding touristic destinations.

## **A dedicated Communication on Coastal and Maritime Tourism**

- Among these 21 actions, the Communication on Tourism calls for a strategy for sustainable coastal and maritime tourism. As a first important step in the development of this strategy the Commission intends to adopt a dedicated Communication in autumn of this year. With this Communication, the Commission aims to design a holistic European approach to coastal and maritime tourism and to promote a sustainable and competitive touristic sector. The Commission also aims to reduce pressure on sustainability by introducing a culture of innovation, the use of alternative business models, and the provision of adequate skills.
- In the cruise and nautical sector, the Commission will encourage responsible practices and the development of greener and environmentally-friendly technologies. Positive effects here include the incentive to attain consistent levels of product quality and homogeneity, for which EU producers are better positioned.
- In response to a joint EU-US solicitation on how to promote regulatory compatibility, specific proposals were made by the EU boating industry and the EU ships and maritime equipment association. Proposals to remove regulatory barriers will be examined in the context of the high-level regulatory co-operation forum and possible future negotiations.
- The Commission also intend to adopt measures to improve accessibility and diversification in low-season, for instance with customized experiences.
- The Commission wishes to play an important role as facilitator in this field, but it is important to stress that the achievement of a sustainable maritime and coastal development relies on the cooperation of national and local administrations, and on the support of all stakeholders involved.
- Finally, the Commission will seek to identify the appropriate EU Financial Instruments for the development of sustainable maritime and coastal tourism in Europe.

For more info on the EU Tourism Policy, please go to <http://europeanboatingindustry.eu/eu-affairs/tourism.html>

## **Shipbuilding: the EU strategy LeaderSHIP 2015**

- The EU strategy LeaderSHIP 2015 is not only aimed at commercial shipbuilding but also shipbuilding of vessels intended for leisure such the super and megayachts.
- This strategy is currently under review and a report will be published on 20 February 2013. The review will concentrate on 3 pillars: employment and skills, fair market conditions, competitiveness of the European shipbuilding industry.
- The review of our Leadership 2015 strategy will help improve the competitiveness of EU shipbuilding which contributes to sustainable sea-borne transport, infrastructure and advances in maritime energy generation.

For more info on the EU LeaderSHIP 2015 programme, please go to [http://europa.eu/legislation\\_summaries/enterprise/industry/110130\\_en.htm](http://europa.eu/legislation_summaries/enterprise/industry/110130_en.htm)

## **Access to finance for European small & medium-sized enterprises (SMEs)**

- The studies and statistics have shown time and again that access to finance is one of the most concerning issues for SMEs in Europe.
- This is why the European Commission has proposed to allocate a budget of 1.4 billion EUR, representing 60% of the overall COSME budget, to improve access to finance for SMEs using two main facilities: the Loan Guarantee Facility and the Equity Facility for Growth. These two facilities will work in conjunction with the new Research Framework Programme called Horizon 2020.
- With the Loan Guarantee Facility, the Commission will concentrate its efforts on supporting those SMEs which have the hardest time accessing funds either because they are too young and do not have a sufficient track record or because they do not have sufficient collateral. The Commission is proposing direct and counter guarantees for loans up to € 150,000. Horizon 2020 will guarantee loans exceeding this threshold to be granted to research, development and innovation driven SMEs and small midcaps.
- The Commission is also proposing securitisation of SME debt finance portfolios to encourage banks to increase the volume of lending.
- The Equity Facility for Growth is to invest in risk capital funds which support expansion and growth stage enterprises. Horizon 2020 will focus on supporting early-stage equity investments in research and innovation driven companies while COSME will focus on expansion and growth stage investments to make it possible for all types of SMEs to grow and to internationalise.
- In case of multi-stage funds, which are currently the most dominant type of funds in the market, funding will be made available from both programmes. The goal is to provide equity funding throughout the whole development cycle of a fast growing business.
- The European Commission's focus is now on companies that can develop and create jobs, not necessarily for export-oriented companies.

For more info on the EU financial instruments for SMEs, please go to <http://ec.europa.eu/enterprise/policies/finance/> and scroll on the left hand menu

## **Industrial policy & industrial competitiveness**

- It is evident that Europe needs to reverse the declining trend of industry for the 21<sup>st</sup> century. A successful industrial sector is needed to deliver sustainable growth, create high-value jobs and solve societal challenges. Action needs to be taken to reverse the downward trend of its contribution to EU GDP from its current level of 15.6% of EU GDP. The Commission wants industry to represent as much as 20% of GDP by 2020.
- This is why on 10 October 2012 the Commission adopted a new Communication on Industrial Policy. In this Communication a number of priority actions are proposed around four pillars: one, to stimulate investment in new technologies; two, to improve the

business environment; three, to improve access to markets and finance, particularly for SMEs; and fourth to ensure that skills meet industry's needs.

- As a first step, six priority lines for short term actions are proposed to be taken with the cooperation of industry and Member States. These are:
  - Advanced manufacturing technologies for clean production
  - Key enabling technologies
  - Bio-based product markets
  - Sustainable industrial policy
  - Construction and raw materials
  - Clean vehicles and vessels, and smart grids
- Of course, the focus on these initial priorities does not mean the other sectoral efforts will be shelved. These six priority action lines have a direct impact and multiple spillover effects on traditional industrial sectors including marine industries.
- The marine and maritime industries are a vital part of our economy. They manufacture and provide support services in the Naval, Commercial, Offshore Renewable Energy, Tourism, Leisure and other smaller sectors. The economic downturn between 2008 and 2010 hit the recreational craft industry as hard as it did a number of other industrial sectors. The recreational boat market shrank by 50%. A consolidated economic recovery is needed in the EU to provide the future growth for the boat market.
- The Commission would like to see new technologies speedily incorporated into industries to increase their productivity, to make them more competitive at exporting and offering better products in Europe. If we succeed in doing this, we will succeed in creating new jobs and ensuring sustainable growth. The EU's long term industrial policy as defined in the 2010 industrial Policy communication is still in place. In this context, the Commission will be paying specific attention to sectoral sectors such as steel, the creative industries, defence, space, tourism and shipbuilding.
- The Commission will of course continue its integrated horizontal approach to industrial policy. However, this does not exclude specific initiatives targeted for sectors. The selected areas focus on new technologies that will revolutionize engineering (e.g. intelligent materials) and transform the production of goods (e.g. 3D printing), as well as providing game-changing new foundations for traditional markets, such as smart grids, electric vehicles or bio-based plastics. Consequently development of these markets should offer an opportunity not to one, but to various and companies and sectors.
- To help overcome some of these challenges faced by EU companies in third countries, several tools are also available to SMEs:
- The Enterprise Europe Network provides free basic service to SME clients. It has over 600 member organisations in 54 countries in contact with more than 2 million SMEs. Over 50% of SMEs which have used its services confirmed they had accessed new markets and developed new products and services.

Enterprise Europe Network: <http://portal.enterprise-europe-network.ec.europa.eu/>

## Export support actions & international affairs

- It should not be forgotten that there are substantial and growing global markets for the marine industry and its associated services. It is vital that European industry harnesses this potential. With the rapid growth of middle classes in countries such as Brazil, China, Russia and India, the marine and maritime sector is poised for expansion. The GCC region (Gulf States) also shows a lot of strengths in terms of economic & social growth despite political instability, a favourable climate and in 2022 is host to the Football World Cup.
- In November 2011, the European Commission adopted the communication “Small business, big world – A new partnership to help SMEs seize global opportunities”. The aim of the communication is improving access to relevant information and help in finding new markets and the right business partners overseas.
- The European Commission is actively helping EU firms seek out new opportunities in overseas markets with Vice President Tajani’s Mission’s for Growth. These missions aim to create industrial relations and business partnerships outside the EU. They involve ministerial and business meetings. The Vice-President has taken Missions for Growth to the US, Latin America and Mediterranean countries. In 2013 such missions are planned to Russia, China and India.
- European Boating Industry has also been part of the Missions for Growth, for example to Latin America (Brazil and Uruguay), where boating is rapidly developing and where some EU companies are settling. The World Cup in 2014 and Olympic Games in 2016 in Brazil will create further opportunities.
- EU companies in the boating sector have encountered difficulties in Brazil such as lack of skilled workforce for boatbuilding, too few local suppliers to the industry coupled with rising import duties for European imports, numerous local taxes and bureaucracy.
- With the US, the issue of regulatory convergence will be the most crucial but also the most challenging area if we want to bring the EU and the US economies closer together. The final report of the High-Level Working Group which was established to identify and assess options for strengthening EU-US economic relationship is scheduled for adoption in early February 2013.
- In response to a joint EU-US solicitation on how to promote regulatory compatibility, specific proposals were made by European Boating Industry and the European ships and maritime equipment association. Proposals to remove regulatory barriers will be examined by the EU and the US in the context of the High Level Regulatory Cooperation Forum and possible future trade negotiations.

You can find the proposals of European Boating Industry on EU-US solicitation on [http://ec.europa.eu/enterprise/policies/international/cooperating-governments/usa/jobs-growth/consultation-on-regulatory-issues\\_en.htm](http://ec.europa.eu/enterprise/policies/international/cooperating-governments/usa/jobs-growth/consultation-on-regulatory-issues_en.htm)

- In China, there are problems with market access (including public procurement), rule of law (including intellectual property), unequal access to finance and subsidies.

- To help overcome some of these challenges faced by EU companies in China, European Commission's DG Enterprise and Industry also has a regulatory dialogue with different Chinese ministries, focusing on ensuring the free and safe circulation of goods; the convergence of regulations and standards; facilitating market access and promoting a level playing field.

- 

EU SME Centre in China: <http://www.eusmecentre.org.cn/>

Intellectual Property Rights (IPR) Helpdesk in China: <http://www.china-iprhelpdesk.eu/>

European Business and Technology Centre in India: <http://www.ebtc.eu/>

These centres offer real added value to EU businesses by helping SMEs access markets, providing innovation support, protecting IPR, and assisting with regulatory issues.

- Moreover, European Commission's Market Access Teams are active in more than 100 countries. They bring together EU delegations and representatives from Member States and the private sector. They collect information on the ground on market barriers and liaise with partners to eliminate barriers. Information is made available to firms through the Market Access Database.

EU Market Access Database (what you need to know to export outside the EU): <http://madb.europa.eu/madb/indexPubli.htm>

The European Commission's objective is to create a business-friendly environment abroad by, for example, eliminating non-tariff barriers, protecting standards and strengthening the rule of law. Such measures are vital to give SMEs the confidence to venture and do business abroad.

For additional information on European Commission's activities, please do not hesitate to contact European Boating Industry:



**European Boating Industry**

Rue d'Idalie 9-13

B - 1050 Bruxelles (Belgium)

T +32 / 2 639 62 57

F +32 / 2 644 90 17

[office@europeanboatingindustry.eu](mailto:office@europeanboatingindustry.eu)

[www.europeanboatingindustry.eu](http://www.europeanboatingindustry.eu)