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STATE  
OF  
THE  
UNION  
2017

# INDUSTRIAL POLICY STRATEGY

**Industrial policy: state of play & next steps**  
Grzegorz Drozd, European Commission

Brussels, 26 November 2018

## EUROPEAN INDUSTRY AT A GLANCE



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



**32 million people** have a job in European industry.



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



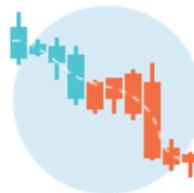
About **17% of total value added** in the EU comes from manufacturing. **1 job** in manufacturing **creates up to 2.5 other jobs across the value-chain.**



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



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



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.



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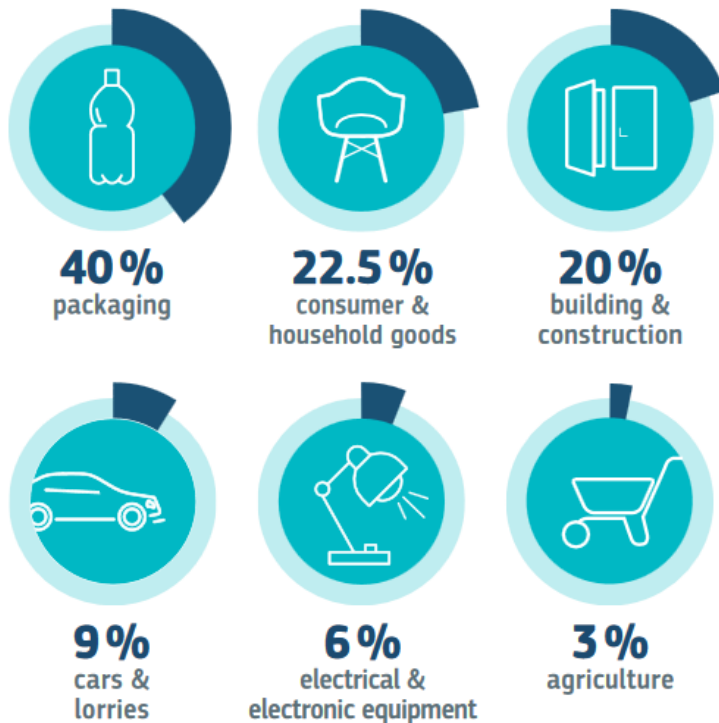
# *challenges*

## global situation



# sustainability

EUROPE PRODUCES A  
HUGE AMOUNT OF PLASTIC:  
**58 MILLION TONNES**  
EVERY YEAR

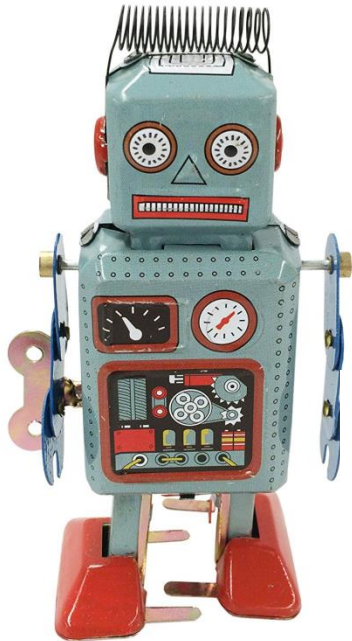


EUROPE PRODUCES  
**25 MILLION TONNES**  
OF PLASTIC WASTE



Source: PlasticsEurope, 2014

## digitalisation



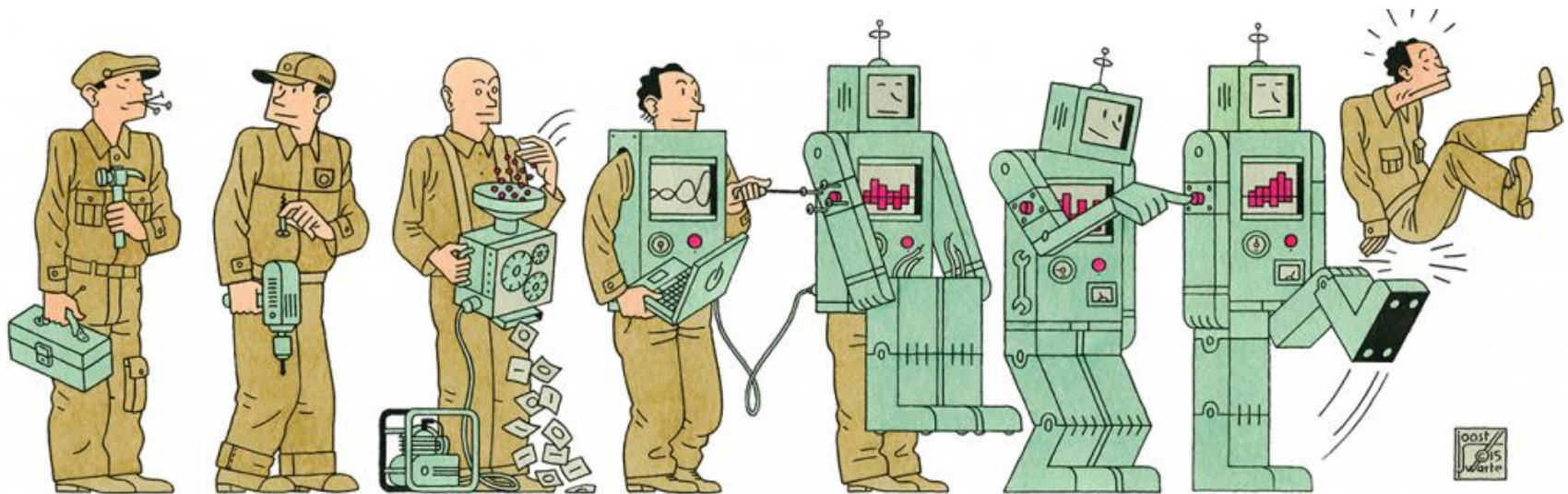
By 2025 the economic impact of the automation of knowledge work, robots and autonomous vehicles will reach between €6.5 and €12 trillion annually.

Europe is behind in private investments in AI: €2.4-3.2 billion in 2016, compared to €6.5-9.7 billion in Asia and €12.1-18.6 billion in North America.



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# future of work?

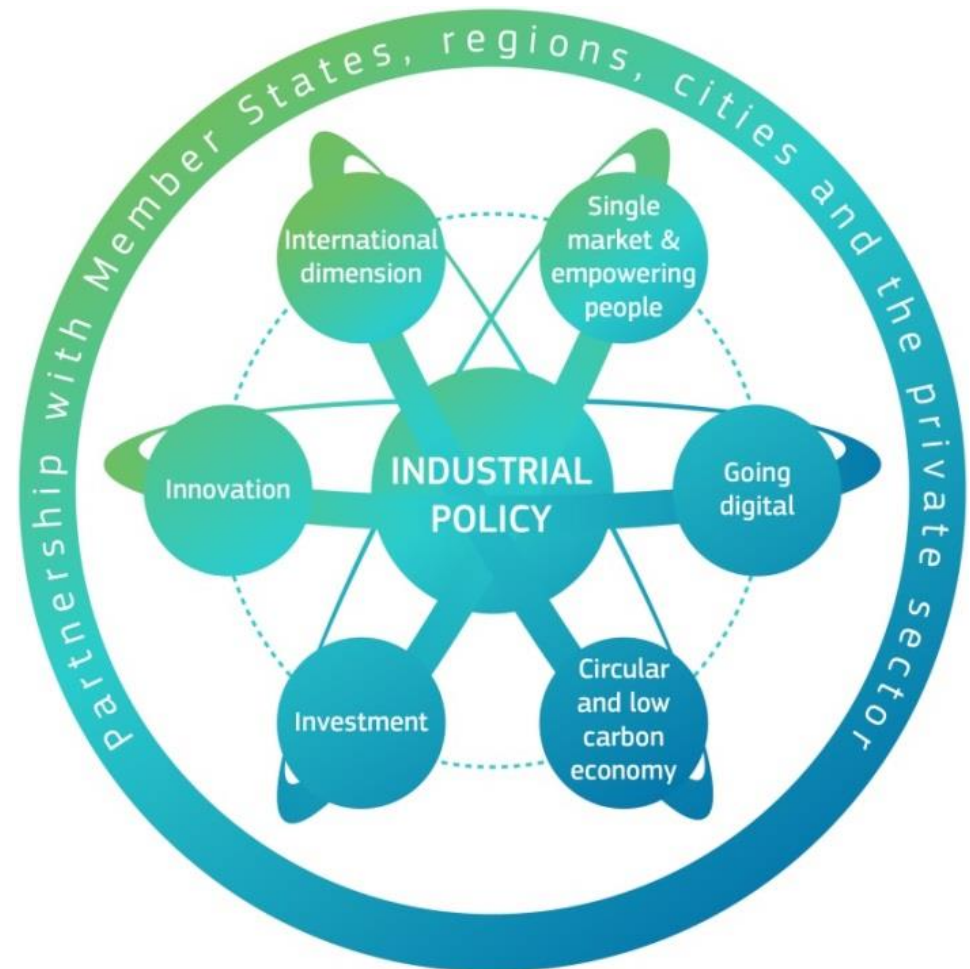


*need for new  
answers*



# Making Europe's industry stronger: key initiatives

Investing in a  
smart, innovative  
and sustainable  
industry





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Empowering industry  
and its people with  
**opportunities** and  
**skills** to thrive in the  
**Single Market**



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A stylized illustration of a laptop computer. The screen is white and displays three circular icons: a magnifying glass (search), a musical note (music), and a shopping cart (e-commerce). The laptop is set against a blue background that has a white, angular shape on the left side, suggesting a modern, digital interface.

Upgrading industry for  
the **digital age**



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Building on Europe's  
leadership in a  
**low-carbon** and  
**circular economy**



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Supporting industrial  
innovation **on the ground**



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Reaping the benefits of  
**open** and **rules-based**  
**trade** and upholding  
**fair competition** for  
our industry

# UNLOCKING THE POTENTIAL OF STRATEGIC SECTORS



## Space industry:

*Copernicus*  
*Egnos*  
*Galileo*

*Space Strategy for Europe*

## Defense industry:

*European Defense Fund*



## Car industry:

*Emissions*  
*Connected mobility*

## Steel industry:

*Fare trade*  
*Innovation*



*A strong focus on Key Enabling Technologies (KETs)*





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**Partnering** with Member States, regions, cities and businesses to stimulate industrial competitiveness at all levels

# What's next?

## EU Industry Days:

- main conference
- local events
- open doors

## Industry 2030





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