

IPC Priorities for an Ambitious EU Industrial Policy Strategy

On the occasion of the Second EU Industry Day, IPC reaffirms its support for an ambitious European industrial policy strategy focused on skills, investment in advanced manufacturing and R&D.

IPC — Association Connecting Electronics Industries® is a global industry association representing more than 4,300-member facilities in the electronics industry, including design, printed board manufacturing and electronics assembly and test.

With 650 members in Europe, the majority of which are small- and medium-sized enterprises (SMEs), IPC has long advocated for an ambitious industrial agenda for Europe. The Communication on a renewed EU industrial policy strategy published last September by the European Commission puts emphasis on crucial aspects for the electronics industry, such as the need for substantial investment in advanced manufacturing, skilled and talented workforce as well as research and innovation. IPC welcomes the EU's efforts in these areas. IPC believe that the Communication is an important step in the right direction, as it puts industrial policy back on the EU agenda and reaffirms the commitment to reach the target of manufacturing making up 20 percent of GDP by 2020. Moving further, IPC urges the Commission to work with the industry to establish a long-term vision that will provide the industry with the necessary coherence and predictability needed to grow in Europe.

Closing the skills gap through vocational training and lifelong learning

Skills and training should be at the heart of the long-term vision for the industry in Europe. Our members, the majority of which are SMEs, are important suppliers to a variety of sectors in advanced manufacturing. The skills shortage is a major concern for the advanced manufacturing industry in Europe, which consists of more than 700,000 enterprises and employs more than 13 million people. Many IPC members have experienced difficulties in recruiting a skilled workforce in the EU. One such challenge for our industry is attracting young people. It is therefore crucial that education systems continue training highly qualified, skilled workers to fill the jobs IPC members continue to create.

Vocational training and lifelong learning are keys to re-skilling workers to qualify for available jobs. We therefore call on the Commission and the Member States to ensure adequate investment in vocational education and training (VET) to guarantee that it is relevant to learners, employers and society, and to improve the quality of training. We hope that these issues will be addressed in the post-2020 Multiannual Financial Framework.

Efforts are also needed by public authorities, leaders in education and business to embrace and destigmatize apprenticeships and vocational training programs in fields such as advanced manufacturing, robotics, and computer programming.

Finally, we strongly believe in industry playing a key role in solving the skills shortages. IPC itself is a provider of many education and training opportunities, with 35 training centres across the EU, improving the skills of 14,000 persons per year, as well as through online training opportunities. IPC also has launched an Education Initiative to address the skills shortages for our members through education, training and retraining of individuals. IPC is working with partners and other associations to develop markets for IPC's educational programs. In addition, IPC will identify and establish external resources and partners from education and workforce training organizations to help deliver IPC's education and workforce development initiatives to attract and develop students and learners at all levels. Initiatives will target non-traditional, elementary, and post-secondary students, as well as transitioning military veterans.

Incentivising research and development

Research and Development (R&D) should be recognised as a core pillar of a strong European industrial policy. R&D is critical in advancing technology, growing a business and diversifying a product line. The electronics industry is particularly dynamic in the EU, where it ranks among the highest in terms of industrial R&D investment and also files the highest number of patents. Due to the need to innovate to remain competitive, this industry is particularly dependent on R&D.

IPC supports and continues to advocate on R&D policies, including tax credits, that incentivize innovation. This includes provisions that promote R&D investment in the context of the Commission's proposals for a Common Corporate Tax Base (CCTB) and for a Common Consolidated Corporate Tax Base (CCCTB). Favorable R&D tax incentives are crucial for the electronics industry to remain competitive in a fast-paced environment. The benefits go far beyond the individual company as it boosts innovation, growth and job creation.

Promoting strong Intellectual Property (IP) protection

As one of the most R&D-intensive industries, the electronics industry sees an appropriate Intellectual Property Rights (IPR) framework as an essential part of the EU industrial policy. IPC promotes strong IP protection and tries to prevent counterfeit products in the supply chain through various standards initiatives as well as advocacy efforts.

In this context, we are encouraged by the recent commitment by the European Commission to stronger enforcement of intellectual property rights through its Intellectual Property package of November 2017. By aiming at clarifying remaining interpretation issues across Member States, the guidance on the implementation of the IPR enforcement directive (IPRED) should create more legal certainty for industry players. The protection of IPR is particularly important for SMEs who have limited resources. Therefore, Member States need to take measures to provide SMEs with transparency and predictability as well as facilitate their access to justice.

Reducing obstacles to international trade

Trade is essential to creating growth and jobs. Among its priorities, IPC advocates for international trade agreements to advance open and fair trade between countries. We therefore welcome the EU's ambitious trade agenda and support the promotion by the EU of a global level-playing field in bilateral and multilateral trade negotiations. IPC urges the EU, as part of its holistic industrial policy strategy, to make efforts to facilitate the integration of European companies in global value chains.

The communication and dissemination of information on the possibilities created by free trade agreements (FTAs) should be increased, starting by emphasizing export opportunities for EU companies.

About IPC: As a global industry association, IPC has more than 4,300-member companies, of which the majority are small- and medium-sized enterprises (SMEs). IPC represents all facets of the industry including design, printed board manufacturing, and electronics assembly and test. As a member-driven organization and leading source for industry standards, training, market research and public policy advocacy, IPC supports programs to meet the needs of an estimated \$2 trillion global electronics industry.