

New Report Points Way for Further Reform to Boost Europe's Competitiveness

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- More reform needed to address Europe's competitiveness deficit and divide, especially in the areas of innovation and entrepreneurship, mobilizing talent and improving market efficiency
- Best practice case studies identified, along with five key enablers, that can help Europe rebuild its competitiveness while preserving its core values of partnership and social inclusion
- Download the full report here: <http://wef.ch/rebuildingeurope13>

Davos-Klosters, Switzerland, 24 January 2013 – Europe's competitiveness deficit, and its competitiveness divide between southern and eastern Europe and their neighbours to the north, is the root cause of stagnating or declining growth and rising unemployment or fiscal instability in the region, finds a new report, *Re-Building Europe's Competitiveness*, published today by the World Economic Forum.

The report identifies three core areas – innovation and entrepreneurship, mobilizing talent, and product and service market efficiency – where Europe's competitiveness deficit is most pronounced. It also concludes that the current fast pace of reform embarked upon by some European nations to boost labour market flexibility, encourage competition in products and services and boost innovation and entrepreneurship, while welcome, requires further action if it is to return Europe to a path of sustained prosperity.

To help Europe achieve this outcome, the report presents and discusses a number of competitiveness practices that some European countries have adopted successfully in the past, and identifies five success factors that Europe's political, business and civil society leaders should prioritize when implementing and scaling up reforms. These are:

- Strong collaboration across stakeholders
- Policy consistency
- Political leadership
- Sense of urgency
- A strong and clear communication plan

The report, which contributes to the ongoing efforts of the World Economic Forum to support Europe in addressing its current economic and social challenges, was drafted in cooperation with Roland Berger Strategy Consultants. By drawing on measures already undertaken successfully by European nations, the report ultimately finds that, should Europe's reform programme continue to be properly implemented and scaled up, competitiveness can be restored, with the region's core values of partnership and social inclusion preserved.

"We hope that this report will provide policy-makers, business and civil society leaders with an important tool in adopting measures needed to rebuild Europe's competitiveness and inspire a strategic dialogue between stakeholders," said Professor Klaus Schwab, Founder and Executive Chairman, World Economic Forum.

“Europe is home to a range of world-class businesses that have continuously shown they are able to adapt to new challenges. Targeted reforms in innovation and entrepreneurship, labour markets, product and service markets, together with fiscal consolidation, can rebuild Europe’s competitiveness,” said Martin Wittig, Chief Executive Officer of Roland Berger Strategy Consultants.

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