



Mr Vincent Van Quickenborne
Belgian Minister for Economy and Reform
Brederodestraat 9
1000 Brussel

6 October 2010

Dear Minister,

Bsta Vincent,

The European economy has performed better than expected in recent months. Buoyant world trade figures and an increase in consumer demand should contribute to maintaining this momentum in the short term. BUSINESSEUROPE forecasts the EU economy to grow by up to 2% in 2010.

There are however important challenges to be addressed for this growth to become self-sustained. Europe must reduce public indebtedness, strengthen the financial sector and reduce unemployment.

The Competitiveness Council has the opportunity to make a difference when it discusses the EU patent, the Single Market and the innovation policy for Europe during its meeting on 11-12 October 2010. BUSINESSEUROPE's expectations on each of these points are outlined below.

1. EU patent

It is now time for EU Member States to act and reach a final decision on this long lasting issue, in order to reinforce Europe's position in the global knowledge economy as suggested in the attached letter.

2. Single Market

The European business community strongly supports the Single Market. The upcoming Single Market Act must put revitalisation of the single market at the centre of Europe's agenda and of its growth strategy. In particular, BUSINESSEUROPE would like to see:

- Improved governance and strong enforcement of single market rules and principles, to address the remaining gaps and bottlenecks to the free movement of goods and services in Europe;
- The creation of a truly Digital Single Market producing full benefits for consumers and businesses.
- Smart regulation with better implementation and simplification of existing legislation;



- The development of an internal energy market by addressing missing infrastructure links;
- Measures to improve access to finance for companies and modern and competitive infrastructure;
- Proposals to improve the use of Alternative Dispute Resolution (ADRs) in the EU.

Member States must give the much-needed political commitment to the reinvigoration of the EU single market.

3. Industrial aspects of innovation policy

Innovation is indispensable to foster sustained economic growth and job creation in Europe. Many European companies are investing in innovative products and services, but often not in Europe. Creating an innovation-friendly and stable regulatory environment in the EU should therefore be the main objective.

This means first and foremost that the EU should:

- Refrain from adopting legislation that risks stifling innovation;
- Increase investments in R&D and innovation in the next EU budget;
- Simplify R&D programmes and increase synergies between R&D and innovation programmes and initiatives;
- Adopt a cost-effective and legally secure EU patent;
- Put in place policies that ensure an adequate supply of skilled workers;
- Stimulate demand and markets for innovation, for example through the Lead Market Initiative or by promoting its standards at the international level.

BUSINESSEUROPE would like to thank you for inviting European business to the informal Competitiveness Council on 30 September 2010. The CEO's in BUSINESSEUROPE's delegation emphasized the importance of growth-enhancing reforms, labour-market flexibility and the Single Market. They also called for an outward-looking approach which strengthens Europe's competitiveness in the world.

We hope that the Competitiveness Council will take these views into account and look forward to a continued involvement of European business in the informal Competitiveness Councils.

Yours sincerely,

Very cordially yours,

Philippe de Buck

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