



1 July 2011

### **Multiannual financial framework: more radical restructuring required to drive growth**

The business community welcomes proposed changes in the EU budget which can help boost growth. But overall we fear the proposal lacks ambition in delivering the radical restructuring that the EU budget requires in order to play its full role in assisting EU competitiveness.

In particular, the proposals to increase funds for research and innovation, to improve EU-wide infrastructure around transport, energy and ICT, and to provide a new Competitiveness and SMEs programme are warmly welcomed. Efforts to make further use of financial instruments in several policy areas are a much awaited development.

Nevertheless, in our view the proposals fail to take forward the major overhaul of the EU budget that is required to fully support the EU 2020 objectives of smart, sustainable and inclusive growth. We also firmly reject the proposal on own resources, which particularly in the case of financial transaction tax, fails to take account of the wide spread concerns about both the feasibility and impact on competitiveness of such a tax.

*Philippe de Buck said: "We welcome the Commission proposal which makes a start on reorienting the budget towards growth-enhancing areas, but it is not sufficient for a real breakthrough. We cannot continue muddling though – a real boost to Europe's competitiveness, growth, and jobs must happen now. We hope that the institutions will step up to the challenge of a more ambitious reform of the budget during the negotiations on the future MFF".*

#### NOTE TO THE EDITOR

*BUSINESSEUROPE represents small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE's members are 41 leading industrial and employers' federations from 35 European countries, working together to achieve growth and competitiveness in Europe. For the full list of our members, please visit our website.*

For further information, please contact: Peter Vertessy +32(0)2 237.65.03  
[www.businessseurope.eu](http://www.businessseurope.eu)