



Commissioner Johannes Hahn
Commissioner for Regional Policy
European Commission
Rue de la Loi 200
B – 1049 BRUSSELS

23 November 2012

Dear Commissioner Hahn,

We need to restore growth and jobs in Europe in order to be able to compete successfully in the global economy. Many countries across the globe, particularly in emerging markets, have taken significant steps in recent years to improve their business environment and attract international investment. Europe must increase its efforts to ensure it remains an attractive place to invest.

Adopting a discriminatory approach against non-SMEs, by excluding them from the productive investment part of the European Regional Development Fund (ERDF), which is best able to create new jobs for our citizens, sends a wrong message to private investors. Moreover, it goes against the EU's wider strategy for sustainable growth and the objective of a renewed industrial base in Europe.

Evidence shows that large enterprises act as a crucial anchor in local and regional economic development, often forming important value chains with SMEs. Narrowing the scope of the legislation therefore risks having an adverse effect, including for SMEs. It could also impede innovation and reduce competitiveness of EU companies, cutting them off from vital global partnerships and reducing their access to technology.

Ahead of the first triologue negotiation on the ERDF, BUSINESSEUROPE therefore urges access to the productive investment part of this fund should be evaluated on the quality of the investment and its economic impact, and not on the size of the company. This should also be clearly reflected in the EU legal framework, particularly in light of the upcoming revision of EU regional aid rules.

Yours sincerely,

Best regards,

Philippe de Buck