



Ms Frederica Guidi
Ministro dello Sviluppo Economico
Ministero dello Sviluppo Economico
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9 July 2014

Dear Minister,

Messages to the Informal Competitiveness Council on 21 July 2014

It was very interesting and rewarding for me to participate in the last Informal Competitiveness Council meeting held on 11-12 May in Athens and to meet you on this occasion. I think that the discussions, particularly those on competitiveness mainstreaming and on an enhanced role of the Competitiveness Council were crucial. BUSINESSEUROPE and the European Business community very much appreciate that the Italian Presidency will continue the important work undertaken by the Greek Presidency. In view of the Informal Competitiveness Council on 21 July, BUSINESSEUROPE would like to stress once again the immediate need to rapidly advance the industrial competitiveness agenda.

The Competitiveness Council has made vital steps in laying the foundation for a modern industrial policy framework and the High Level Group on Competitiveness and Growth has developed a draft plan for competitiveness mainstreaming and proofing in practice. The debate is certainly not new but we think that the preparatory work is more advanced, the draft plan is clearer and the political will to succeed and the dynamic in the Competitiveness Council are stronger than ever.

Therefore BUSINESSEUROPE encourages the Italian Presidency to take advantage of this opportunity and to make sure that at the start of the new legislative cycle an improved governance system is put in place to achieve competitiveness mainstreaming across all EU policy areas in an ambitious, effective and pragmatic way. The proposed five points to make policy-making more competitiveness proof are an excellent starting point. It will now be important to make sure that these clear messages are not watered down in subsequent debates and that the Competitiveness Council comes up with a clear and precise political message underlining its willingness to take up the role of the new guardian of industrial competitiveness in Europe. Additionally, implementation of measures for competitiveness mainstreaming must also be ensured at the Member State level via the Country Specific Recommendations within the framework of the European Semester.



The Strategic Roadmap adopted at the European Council meeting on 26/27 June contains important signals on the need to concentrate EU actions on areas where it can make a real difference as fully exploiting the potential of the Single Market, promoting a climate of entrepreneurship and job creation, investing for the future, reinforcing the global attractiveness of the EU and making EMU a solid factor of stability and growth. However, considering the positive signals given during the Spring European Council, we believe that the references to competitiveness mainstreaming are rather weak. A strong Competitiveness Council raising its voice in favour of European competitiveness is therefore more crucial than ever. We need to rapidly implement the necessary actions to improve Europe's attractiveness as a business and investment location.

In particular we think that the following goals must be achieved:

- The Competitiveness Council must become the guardian of competitiveness. The Competitiveness Council must play a stronger role in discussing Impact Assessments with major impact on regulatory cost and competitiveness and should be in a position to submit amendments to these. Furthermore, it must ensure that also other Council formations recognize the necessity of considering the impact of new policy initiatives on industrial competitiveness via an improved alignment of agendas. The Competitiveness Council has to speak up whenever an important topic is relevant for competitiveness.

To effectively strengthen the Competitiveness Council, the role of the High Level Group on growth and competitiveness must be re-enforced to effectively support the Competitiveness Council in terms of competitiveness monitoring. An alignment of agendas and a permanent, elected chair to the HLG could be important steps in that direction.

- Increase policy coordination at the earliest possible stage in the EU legislative process and prioritise in order to avoid legislative proposals with undesirable effects on competitiveness.
- Towards this end, it is key that the Commission's internal governance is strengthened with the aim to position competitiveness at the heart of the new Commission's working methods and working program. This could be achieved in different ways, for instance via thematic clusters or a high-level group within the College. Once the method is chosen, it must lead to systematic, early-stage prioritisation of competitiveness. This must be the legacy of the next Commission.
- Ensure that the existing momentum for competitiveness proofing and sound impact assessments is strengthened. Concerning new legislative initiatives, competitiveness proofing must become an integral part of ex-ante impact assessment for all policy initiatives and policy proposals. Moreover BUSINESSEUROPE strongly supports the idea of creating an independent body responsible for the impact assessments of the initial Commission proposals as well as of important subsequent amendments proposed by the



European Parliament and Council. Furthermore, the cumulative cost of legislation will have to be taken into account in impact assessments and legislation must also be evaluated ex-post.

- The tools for monitoring competitiveness must be streamlined and also refer to cumulative cost and international comparison.

BUSINESSEUROPE strongly urges the Competitiveness Council to decisively advance the implementation of competitiveness mainstreaming at the informal meeting on 21 July and to adopt conclusions on this vital topic at the next Competitiveness Council meeting on 25-26 September. You can count on our determination to act as a partner and strong supporter in this endeavour.

Yours sincerely,

Markus J. Beyrer