



2017 Reform Barometer: Many EU members reform too slow

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BusinessEurope's EU Reform Barometer 2017, published today, shows that reform implementation remains too slow in many EU Member States, with only 17% of the Country Specific reform Recommendations (CSRs) regarded as implemented satisfactorily, even poorer than our observations for 2015 (20%) and 2014 (22%).

Markus J Beyrer, Director General of BUSINESSEUROPE said:

“While it is clear that the EU economy has picked up momentum recently, growth has been largely supported by temporary factors such as the ECB's monetary support. Whether due to the electoral cycle or complacency, many Member States are taking their foot off the reform throttle. They slow down at exactly the time of rapid changes in the global economy and when Europe's competitiveness challenges and public finances problems persist.”

Comparisons with other leading economies underline that structural reforms are urgently required to boost growth and strengthen public finances:

- The cost of **starting a business** in the EU is more than triple that of the US, while it takes businesses about twice as long to set up a company in the EU.
- EU **R&D spending** (2% of GDP) is well below Japan (3.6%) and the US (2.7%).
- The **overall tax burden** in the EU remains 50% higher than in the US and over 20% higher than in Japan.

A special chapter of the barometer looks at the quality of EU public expenditure. Based on international comparisons, we find that all EU Member States should review the composition of their public expenditure to make it more supportive of growth. However, achieving strong growth-friendly performance requires improving the efficiency of spending.

[EU Reform Barometer](#)

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