



Mr Bruno Le Maire
Ministre de l'Économie, des Finances et de
la Souveraineté industrielle et numérique
Chair of the EU Competitiveness Council
139 rue de Bercy
75572 PARIS
FRANCE

7 June 2022

Dear Minister,

RE: key messages to EU Competitiveness Council of 9 June 2022

BusinessEurope notes with interest the planned policy debate on resilience of the strategic industrial eco-systems, prepared by the French EU Council Presidency for the meeting of the EU Competitiveness Council on 9 June. We understand that this is a continuation of exchanges among Member States in response to the Commission's updated Industrial Strategy of 2021 in pursuit of a stronger and more resilient industrial base of Europe. This topic is indeed crucial for businesses operating in the EU Single Market.

BusinessEurope reiterates its key messages in this regard:

- The resilience of businesses starts with an investment and innovation environment, opportunities created for scaling up and diversification of risks. For BusinessEurope members, it is largely about the Single Market without barriers, stronger economic ties with key global trading partners, and better regulation principles when regulating economic activities.
- BusinessEurope calls to focus the debate on how the EU Competitiveness Council could ensure that no legislative proposals would create pre-conditions for market fragmentation, which unfortunately has been the case lately way too often¹. Europe needs the Single Market proofing at top political levels and with a strong institutional backup.

¹ You may find some of the examples [here](#) .



- Companies are adopting their own strategies to adjust to increased uncertainty and geopolitical risks. Market diversification will be key to mitigate risks and increase resilience both in terms of supply - key components and raw materials - and demand - new customers and business opportunities. Trade policy and trade agreements in particular can support companies' efforts by providing a more stable and enabling trade and investment framework that will support closer economic ties between the EU and its key trading partners.
- Last but not least, we suggest a discussion on how the EU Competitiveness Council, as the one in charge of better regulation on the Council side, ensures that legislative proposals can only be discussed if they are accompanied by an impact assessment with alternative policy or legislative options assessed, in order to make an informed regulatory choice that supports competitiveness of businesses operating in Europe. This is crucial for all legislative proposals, including the Chips Act that is also on the agenda of the Council meeting. Competitiveness proofing of the Commission proposals remains one of the key challenges, including when it comes to the efforts to increase resilience of the industrial eco-systems.

Yours sincerely,

Markus J. Beyrer