



Prime Minister
Mr Antti Rinne
The Prime Minister's Office
PO Box 23
FI-00023 Government, Finland

5 December 2019

CC Minister of Finance Lintila and
Minister for European Affairs Tuppurainen

Dear Prime Minister Rinne,

The European Economy stands at a critical juncture. We are falling behind our global competitors in the digital and technological race, whilst our economies are entering what could become a protracted slowdown as a result of heightened trade tensions and global uncertainty.

A future-oriented MFF must put greater emphasis on strengthening research, development and innovation capabilities. It must facilitate digital transformation and promote world class cross-border transport capabilities. These will be essential to boosting business confidence and prove that the EU is serious about supporting competitiveness, structural reforms and employment creation in a changing geopolitical environment. In particular:

- Each euro invested in the **Horizon Europe programme**, which supports cross-country research and innovation projects in the EU, yields an average return of 11 euro. In order to reach critical mass for addressing global challenges such as climate change and boost cross-border multidisciplinary networks, we strongly recommend that funding be ambitiously increased to at least €120 bn.
- Europe is struggling to keep up with the pace of digital and technological advances of our main global competitors, and we must employ the EU's long-term budget to address this shortfall. The €9.2 bn earmarked for the **Digital Europe programme** should be viewed as the low water mark for what is needed to support Europe's digitalisation.
- The completion of the Trans-European Transport Network should be a priority. Completing the core network alone could increase GDP by more than 1.5%. The **Connecting Europe Facility programme** is key to unlocking this potential, but more is needed than the €30.6 billion proposed by the European Commission.

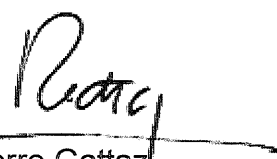
Furthermore, the EU should ensure an adequate financial framework to support a more cohesive Europe and to develop cohesion policy by turning it into an integral part of a European investment strategy to support competitiveness, growth and convergence, for all European regions.

As underlined by these considerations, the overall budget needs to be of a size adequate to address our common challenges.

We of course stand ready to offer our support and expertise to help develop a post-2020 EU budget that supports the future prosperity and competitiveness of the European economies.



Pekka Lundmark
Chairman of
Confederation of Finnish Industries (EK)



Pierre Gattaz
President of BusinessEurope