

Germany

1. EU Competitiveness

Question 1	To what extent do you consider the European Commission's overall policy stance supportive of competitiveness and growth compared to 12 months ago?	Slightly worse
Question 2	In light of the legislative changes introduced and implemented by the European Commission, how would you evaluate the evolution of administrative burden compared to a year ago?	Increased significantly
Question 3	How do you think the EU investment environment is seen by global firms compared to 12 months ago?	Slightly worse
Question 4	What does your federation see as the three main challenges threatening the attractiveness of the EU as an investment environment vis-a-vis international competitors?	<ol style="list-style-type: none"> 1. Innovation capacity 2. Energy prices 3. Regulatory Environment

2. National Recovery and Resilience Plans

Question 8	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 9	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 10	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

3. Assessment of Country Specific recommendations 2023 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	Wind down the emergency energy support measures in force, using the related savings to reduce the government deficit, as soon as possible in 2023 and 2024. Should renewed energy price increases necessitate new or continued support measures, ensure that such support measures are targeted at protecting vulnerable households and firms, are fiscally affordable and preserve incentives for energy savings. Ensure prudent fiscal policy, in particular by limiting the nominal increase in nationally financed net primary expenditure in 2024 to not more than 2,5 %.	Extremely important	Mixed	---
CSR 1b	Preserve nationally financed public investment and ensure the effective absorption of grants under the Facility and of other Union funds, in particular to foster the green and digital transitions. Implement public investment initiatives as planned. For the period beyond 2024, continue to pursue a medium-term fiscal strategy of gradual and sustainable consolidation, combined with investments and reforms conducive to higher sustainable growth, in order to achieve a prudent medium-term fiscal position.	Helpful (but not a priority)	Mixed	---
CSR 1c	Improve the tax mix in order to achieve more inclusive and sustainable growth, in particular by improving tax incentives in order to increase hours worked. Safeguard the long-term sustainability of the pension system.	Extremely important	Unsatisfactory	---

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	Significantly accelerate the implementation of its revised recovery and resilience plan, including by ensuring sufficient resources, and swiftly finalise the addendum and the REPowerEU chapter with a view to rapidly starting the implementation thereof. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.	Important	Unsatisfactory	---
CSR 3	Speed up the digitalisation of the entire service chain for public services and improve people's digital skills. Remove investment obstacles and boost investment in very-high-capacity digital communication networks.	Extremely important	Unsatisfactory	---
CSR 4	Increase efforts to further reduce the overall reliance on fossil fuels by boosting investment in and accelerating the deployment of renewable energy and electricity networks through improved administrative capacity and streamlined processes, including permitting procedures. Step up energy efficiency efforts in transport, building and industry, including through investments in heating systems, and further policy measures aimed at the provision and acquisition of skills and competences needed for the green transition.	Extremely important	Unsatisfactory	---

4. Reform Progress in your Member State in 2023

How would you assess reform progress in 2023, for the following broad areas:

Taxation and Public Finances	No progress
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2024 Reform Barometer?

Future Financing Act - BDA has spoken out in favor of improving the usability of employee share ownership. The tax-free amount for employee share ownership was increased. In addition, the final taxable date of an employee shareholding was postponed from twelve to 15 years and the income limits for entitlement to the employee savings allowance were raised.

5. Reform priorities for 2024

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Public investment	Increase public investment and promotion of private investment through carbon pricing, subsidies or tax incentives in order to accelerate the ecological and digital change.	yes
Priority 2	Public sector Efficiency	Digitalization of administrative services at all levels and further streamlining and improvement of planning and permitting processes.	yes
Priority 3	Labour market mismatch and labour mobility	Reduce skills-mismatch; improve early vocational guidance and market-driven traineeship placement; better job counselling, transfer and placement; facilitate the employment of skilled workers from third countries.	yes
Priority 4	Making work-pay : interplay of tax and benefit system	Improve effectiveness and investment friendliness of tax system; avoid bracket creep.	yes
Priority 5	Pension and health care reform	Remove early retirement incentives; introduce mandatory retirement schemes for self-employed people; cost-cutting reforms needed	yes
