



Mr Márton Nagy

Minister for National Economy of Hungary  
Chair of the EU Competitiveness Council

26 November 2024

Dear Minister,

## Key messages to EU Competitiveness Council of 28 November 2024

BusinessEurope outlined its key messages on Europe's competitiveness problem and the urgency of necessary solutions thereof, also in relation to the reports by Letta and Draghi, in our letters to the EU Competitiveness Council dated 1 March, 22 May and 23 September this year. It is welcome that the EU Competitiveness Council will discuss the future of EU's competitiveness and better regulation issues at its coming meeting again.

However, the European business community expects answers to a dire diagnosis of our situation in Letta and Draghi reports not by numbers of conclusions adopted but urgent actions taken.

BusinessEurope already underlined our regrets that some recent policy communications from the European Commission used a narrative that regulatory burdens have started to decrease in the EU. We can reiterate that European businesses do not share the opinion that regulatory burdens are decreasing, and we still see the risk of some new initiatives deviating from the burden reduction objective. Hence, BusinessEurope repeatedly urges to introduce concrete reduction targets on compliance costs and design a dedicated programme by 2025, with the timetable for regular evaluations to achieve the set target.<sup>1</sup> We are in the process of finalising the mapping of most pressing regulatory burdens and will share the suggestions how to address them with the Council and the Commission very soon as our contribution. Strong governance in the European Commission but also in the Council in order to deliver on the reduction of burdens *across all policy areas* will be necessary, and we believe a dialogue with stakeholders should be central in this endeavour.

Industry suffers from disproportionate regulatory burdens which offset investment to the twin transition and jeopardise European jobs, with numerous examples including those in the automotive sector that has immense spillover effects for the whole economy. We call to find urgent solutions in consultation with the sector concerned, so that companies are not unduly penalised next year, with repercussions on supply chains and the wider

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<sup>1</sup> See [Key messages to EU Competitiveness Council of 7 March 2024](#)



economy and jobs. The Artificial Intelligence domain is another example of many where uncertainty around the AI Act's impact on investment to AI in Europe looms, also having far-reaching consequences on our competitiveness. The compliance cost evaluation should be done. The mission letters for the commissioners-designate have already mandated a "stress-test" of the entire EU acquis, which should be a tool to launch without delay and get solutions for these problems in 2025 already.

Yours sincerely,

Markus J. Beyrer