



Mr Morten Bødskov

Chair of EU Competitiveness Council,
Minister for Industry, Business and Financial
Affairs of Denmark

25 September 2025

Key messages to EU Competitiveness Council of 29 September 2025

Dear Minister,

BusinessEurope supports the Danish EU Council Presidency efforts to focus on the competitiveness agenda. The chosen topics for the ministerial discussion – the Competitiveness Fund, simplification agenda and Single Market Strategy – are in the list of major priorities for the business community.

The Competitiveness Fund

BusinessEurope welcomes the European Commission's turn towards competitiveness, inter alia reflected in its proposal for the 2028-2034 EU Budget, the MFF with a European Competitiveness Fund (ECF) encompassing also the 10th Framework Programme (FP10), a reinforced successor to FP9 proposing collaborative and trans-national research. These proposals could provide a vital support to the EU's innovation capacity and industrial resilience, but better clarity on several critical points is urgently needed. It is also crucial that the ECF is driven by the bottom-up approach where companies demonstrate how to achieve the set goals best and propose solutions.

The ECF itself totals €362 billion in 2025 prices (excluding the Innovation Fund), representing a positive 155% increase from an estimated €142 billion in the 2021–2027 MFF. The fund is organised into four pillars (Clean Transition and Industrial Decarbonisation, Digital Transition, Health, Biotech and Bioeconomy, and Resilience, Defence Industry and Space), a rationalisation which reduces the number of programmes, although the degree of flexibility among spending windows and the links between the ECF and FP10 remain to be clarified. This concerns the articulation between the ECF and the collaborative part of FP10 (pillar II), whether budget for innovation under ECF will be ring-fenced, and the impact of this new governance on large partnerships.

An ECF Strategic Stakeholders Board is also to provide advice on its implementation. BusinessEurope welcomes the inclusion of social partners in this steering body but more clarity is needed on the application process, its responsibilities and powers.

The MFF proposal also includes, in 2025 prices, €154.9 billion for FP10 for competitiveness purposes. BusinessEurope believes that this effort to secure a more



ambitious budget for competitiveness must not be weakened in the upcoming negotiations.

The simplification agenda

This year's series of the "omnibus" proposals is a good first step that needs to be completed with meaningful results of burden reduction for companies. Fast-tracking of these legislative proposals with a burden reduction focus is essential.

The series of omnibus proposals put on the table by the Commission since February reflects many of the concerns and suggestions from the business community, and we welcome all the effort made by the EU Council – but this is only the first step. You may also see that the business community is still waiting for tangible outcomes of the simplification agenda, as our scoreboard on the accomplishment of the simplification suggestions we published in January shows limited progress (see attached).

We urge policy makers to introduce an overall regulatory burden reduction target. It should be supported by a dedicated long-term programme with clear deadlines to achieve it, and a robust governance system behind to cut the overall regulatory compliance costs, remove burdens stemming from barriers to cross-border business operations in the Single Market, and eliminate excessive bureaucracy. An update to the Inter-Institutional Agreement on Better Law-Making could reinforce such a governance system.

It is good to put the simplification efforts into perspective: while the Commission's current omnibuses aim to cut €8.4 bn EUR in compliance costs, it is just around 5% of the total cost of 150bn EUR estimated by Eurostat (2022 figures before some major new legislation coming into play). Moreover, recently the Danish EU Council Presidency warned that even more cost is looming from the legislation "in the pipeline": €124.2 billion in new compliance costs, including €85.9 billion annually for businesses as we learnt from the media. If Europe wants to stay competitive, it must confront both the legacy burden and the wave of regulation still ahead, and we urge Member States to fully commit to the regulatory burden reduction agenda.

The absence of impact assessments accompanying proposals for substantive amendments by the co-legislators has also severely contributed to disproportionate regulatory cost our companies face. In this context it should be noted that the figures mentioned above do not take into consideration the additional burdens imposed by the co-legislators in the political process. We therefore support the Danish EU Council Presidency ambitions to step-up actions in fighting the EU red tape and change the legislative culture in the Council by means of use of impact assessments to ensure transparent evidence-based policy making.



The Single Market Strategy

The Presidency will organise a lunch debate on the Single Market Strategy published in May. In this respect, BusinessEurope presents 15 more detailed recommendations as our response to the Single Market Strategy, attached at annex, the major political calls being:

- Ensure that the measures as prioritised in the strategy are put in place by 2027, in close collaboration with the business community.
- Establish a mid- to long-term strategic vision and set concrete KPIs for removing Single Market barriers, including outside the “terrible ten”, to guide future Single Market reforms.
- Guarantee that all EU *and national* legal and administrative measures preventing and removing barriers to the free movement of goods and services, including labour mobility, are properly upheld.
- Strengthen Member States’ political responsibility, intensify the Commission’s efforts and resources as well as de-politicise infringements of Single Market rules in order to prevent protectionist or non-compliant national laws.
- Encourage Member States to carry out regulatory reforms that remove barriers to cross-border trade and investment, using EU budgetary incentives.

BusinessEurope would like to flag that for the Single Market Strategy to become a game-changer we need both quick practical implementation of its prioritised measures and a longer-term agenda for removal of Single Market barriers with full commitment of Member States. This message is widely shared by the European business community, as can be seen in a joint statement we have just issued together with Digital Europe, Eurochambres, EuroCommerce, ERT and SMEunited, at annex for your attention.

Regarding the longer-term and wider Single Market agenda, we trust that the announced Single Market Roadmap to 2028 may serve the purpose, and we remain available to discuss it with the Council further.

Yours sincerely,



Markus J. Beyrer

Annexes:

- Scoreboard of progress on the 68 burden reduction measures proposed by BusinessEurope in January 2025
- BusinessEurope’s response to the Single Market Strategy with 15 recommendations
- Joint industry statement on the Single Market Strategy