

Mr Morten Bødskov Chair of EU Competitiveness Council, Minister for Industry, Business and Financial Affairs of Denmark Erhvervsministeriet, Slotsholmsgade 10-12 1216 København K Denmark

5 December 2025

Dear Minister,

Key messages to EU Competitiveness Council of 8 December 2025

The upcoming Competitiveness Council discussion will address the three topics of the Single Market crucial for companies operating in the EU: taking stock of the Commission's initiatives on regulatory burden reduction, removal of barriers to cross-border business operations, and the level-playing field in e-commerce. BusinessEurope urges to maintain the focus on concrete deliverables in these areas.

I. Annual Overview Report on Simplification, Implementation and Enforcement

The European Commission's annual overview published on 21 October covers the first six months of this year as reporting period and claims that the six omnibus proposals put on the table (therefore, still excluding the latest Omnibus VII on digital regulations) bring over EUR 8.6 billion in recurring administrative cost savings (= over a fifth of the 25%/35% target of reducing regulatory burden, committed by the European Commission). The following messages are key for BusinessEurope members in this regard.

Increase the regulatory burden reduction ambition. Business Europe supports the direction of travel in regulatory burden reduction as presented in the Overview Report, however it is too early to assess tangible effects at company level. There is only one effective way to counter the perception that the EU is falling short of its ambition: delivery of concrete measures that make a difference for companies on the ground. First and foremost, we urge to complete the Omnibus I in a way that ensures a proportionate, legally certain, and effective legislative outcome, fully aligned with the EU's objectives of simplification and enhanced competitiveness by the end of this year. Its results will prove whether the right path of simplification was chosen.

Moreover, the Overview Report clearly shows that in order to achieve the committed percentages of reduction of regulatory burden the EU needs a few years of *minimum* the same levels of ambition in its simplification agenda. As BusinessEurope's contribution to this work, and in addition to our first batch of *regulatory burden reduction proposals* published in January 2025 and the second one on *simplification of the digital rulebook* published in July 2025, we are finalising the third batch of burden reduction proposals for publication in December 2025. We will share them with the Council as soon as possible.



Ensure strong ownership of the burden reduction agenda by co-legislators. We appreciate that the EU Council set up its dedicated processes to pursue this agenda. Fast-tracking burden reduction decisions remains crucial. It is also key to underline that the regulatory burden reduction agenda is needed – and had been called for many years before – by European businesses regardless external political pressures from other parts of the globe. This agenda also needs to be followed at national level in order for businesses to benefit from tangible results.

burden Focus on reduction and competitiveness objectives consistently. BusinessEurope underlines that while adopting the series of "omnibus" proposals is a priority, any parallel negotiations on other individual legislative initiatives should not be creating **new hurdles** and hence cancelling burden reduction efforts. We have been extremely concerned about the recent developments in trilogue negotiations on eDeclaration for posted workers, or the ongoing debates about complex criteria to be potentially added in the upcoming revision of public procurement rules, for example. Simplifying rules with one hand while adding complexities with the other would leave the EU stuck in regulatory burden and bureaucracy, companies feeling no change overall. Europe needs a culture of "simplification by design" in the EU law-making. Moreover, as stated in the letter of 22 Heads of States ahead of the European Council meeting of 23-24 October, a new culture of selfrestraint is needed when it comes to new legislation.

Impact assessments on substantive amendments. BusinessEurope supports the Commission's effort to suggest simple tools preventing disproportionate burden via impact assessments of substantive amendments introduced by the co-legislators. We urge the Council to address the long-standing problem of a lack of consideration of impacts of its substantive amendments on the economy. A simplified methodology to assess such impacts, devised by the Commission, should be supported and used in practice if the EU is to stay focused on the competitiveness goals and improvements in legislation guality overall.

II. Removal of internal market barriers

Remove cross-border barriers to business without creating additional processes. In our last message to the EU Competitiveness Council in September BusinessEurope underlined that, for the Single Market Strategy to become a game-changer, we need both quick practical implementation of its prioritised measures (by 2027) and a longer-term agenda for removal of Single Market barriers with full commitment of the Member States. So far, we have been waiting for deliverables on both.

We were informed that to implement the Single Market Strategy measures the European Commission plans to draft the so-called "heat maps" pointing to the persistent barriers at national level, per each Member State, potentially serving as additional push for urgent action. BusinessEurope did not contribute to this process, as we believe **there rather needs to be a consensus-driven agenda that would address the market fragmentation roots in both national and EU level legislation**, using vast amounts of available evidence of the Single Market barriers.



Stick to the identified priorities. There is a number of concrete actions outlined in the Single Market Strategy, as well as in BusinessEurope's 15 recommendations published on 25 September 2025: they only need to be launched and delivered upon. BusinessEurope is confident that the planned measures on removal of the "Terrible 10" barriers can be swiftly brought to action and many accomplished by the end of 2027. It requires bold action by the European Commission and by the Member States, without pointing fingers at each other. BusinessEurope trusts that Letta and Draghi reports remain a unifying background for the Member States and a catalyst for political decisions on deepening our economic integration.

III. Quickly ensuring the level-playing field in e-commerce

One of the outstanding priorities relates to the level-playing field in e-commerce. BusinessEurope **urges** the Commission and the Council to address the challenges with **e-commerce** imports which do not comply with the EU law as soon as possible. To this end, we issued a set of recommendations as <u>response to the E-Commerce Action Plan</u> on 25 September 2025, spanning from the Union Customs Code reform to suggestions on better defining roles of economic operators to market surveillance improvements. We call to make quick fixes by using our existing legal frameworks and market surveillance governance even before making any necessary legislative adjustments.

We remain available for any further discussions on these matters.

Sincerely,

Markus J. Beyrer Director General