



BRUSSELS DECLARATION BUSINESSEUROPE'S COUNCIL OF PRESIDENTS

EMPOWERING EUROPE'S ECONOMY

24 November 2023

Gathered in Brussels at the invitation of the Federation of Enterprises in Belgium, VBO-FEB, the Presidents of BusinessEurope's member federations urge the incoming Belgian Presidency of the EU to finalise the adoption of the pending EU proposals that are essential for competitiveness and the development of European SMEs. This will make it easier to do business in Europe and pave the way to the adoption of strategic agenda for the EU in 2024-2029. This strategic agenda needs to pay the necessary attention to strengthening the European economy so that the EU can continue to support Ukraine and act as an anchor of peace, prosperity, security and stability in a world marked by rising geopolitical tensions and fragmentation. BusinessEurope underlines 3 priority actions to be taken during the first half of 2024 to address European structural weaknesses.

- **Create regulatory breathing space in a well-integrated European Single Market**

The development of European companies is held back by 2 opposite trends. On the one hand, European companies and crucial future oriented sectors are being held back by over-regulation, complex approval procedures and a risk-adverse policy bias which hamper innovation, discourage entrepreneurship and undermine investment in Europe. On the other hand, insufficient Single Market integration due to remaining obstacles to cross border mobility, uneven transposition and enforcement of EU regulation and crisis related exemptions to Single Market rules are undermining the capacity of companies to scale up from Europe.

We count on the Belgian Presidency to ensure that the EU:

- builds on the Net-Zero Industry Act and on the Critical Raw Materials Act by making sure that they achieve the expected speed-up of permitting procedures and by delivering on the promise to rapidly reduce reporting requirements for companies by 25%,
- continues to work with industry to identify regulatory burden hampering the development of European enterprises and crucial sectors for the future that will need to be addressed during the next EU legislative cycle,
- steps up EU enforcement of existing Single Market rules to avoid uneven transposition and enforcement which leads to fragmentation, follows on the Letta report by putting in place a fully-fledged Single Market strategy to create a new dynamic for the removal of barriers to cross border mobility of people, goods, services, capital and data;
- makes sure that state aid is well targeted, limited in time and carefully monitored to preserve a level playing field within the Single Market;
- fully applies competitiveness checks on all EU regulatory initiatives, taking into account the cumulative impact of EU legislation on companies and ensuring that the next European Commission applies such a competitiveness check on its agenda for 2024-2029 and on its annual work programmes.

- **Strike the right balance between security and enabling the European economy**

The EU is only 6% of the world population and 85% of economic growth in the coming years will be generated outside the EU. We will not become economically or politically stronger by turning our back to the world. There cannot be strategic autonomy without openness.



We count on the Belgian Presidency to ensure that the EU:

- finds an agreement with the US on critical raw materials to mitigate the negative impact of some of the discriminatory provisions of the Inflation Reduction Act, finds a permanent solution for long-standing disputes including steel and aluminium and civil aircrafts and advances work in the Trade and Technology Council to reduce the cost of doing business across the Atlantic,
- finalises the adoption of mutually beneficial trade agreements with Mexico, Chile, Mercosur, Australia and New Zealand and continues to conclude trade agreements that offer access to new markets and open investment opportunities for European companies during the next EU cycle, engaging with all trading partners in an appropriate way, and not only with those currently considered as like-minded,
- works for a balanced relationship with China, taking into account the risks but recognising the need to engage, safeguarding EU's interests to achieve reciprocal benefits,
- addresses the concerns of our trading partners that the EU uses sustainability objectives to de facto close the EU market by underlining the importance of respecting international commitments, better explaining the EU's legitimate sustainability objectives and supporting third countries in their efforts to comply with them.

- **Flank the Green Deal with an Industrial Deal**

European business is fully committed to greening our economy and reaching the EU's climate neutrality ambitions. We need to decarbonise without deindustrialising and ensuring that companies have the means to invest in this deep-dive transformation. To turn the Green Deal into a growth strategy that delivers the fit for 55 targets for 2030 while strengthening competitiveness, we need to flank it with an Industrial Deal.

We count on the Belgian Presidency to ensure that the EU:

- ensures delivery of the reform of electricity market-design and then goes beyond by addressing structurally the energy cost differential between the EU and major competitors, and increasing the resilience of the European energy market through investment to deploy additional renewable, nuclear, low-carbon energy, and natural gas capacities in Europe as well as in cross-border energy infrastructures such as grids, interconnectors and storage, including with neighbouring countries,
- promotes the development of all technologies that contribute to decarbonisation, including key technologies for sectors that are difficult to decarbonise in order to foster transformative investment in all sectors and value chains,
- agrees on a credible investment and growth-friendly economic governance framework that helps construct medium-term adjustment pathways to return to the reference values of 3% of GDP for government deficits and 60% for debt in order to ensure public finances sustainability across the EU;
- promotes a balanced EU social policy approach during the La Hulpe summit, focusing on helping to tackle labour shortages and skills mismatches, with education and training measures to better adapt curricula to companies' needs - paying special attention to the skills required for the green and digital transitions- and measures to activate the unemployed as well as inactive persons, recognising the positive contribution of talents from third countries in answering labour market needs,
- has a broad discussion on the various structural factors that undermine competitiveness and industrial investment in Europe with the European social partners during the Val Duchesse summit to pave the way to an Industrial Deal backed by European leaders, European employers and European workers that can be put at the forefront of the agenda of the EU in 2024-2029.

These are the key actions that need to be taken during the Belgian Presidency to deliver on the promises to make it easier to do business in Europe and to ensure that the green and digital transition leads to sustainable economic success and social wellbeing.