

EUROCHAMBRES

COMPETITIVENESS AND GROWTH AT THE HEART OF THE 2024-2029 EU POLICY AGENDA

Europe's businesses have shown great resilience in the face of considerable challenges in recent years. But we are not out of the woods yet: business confidence is still fragile, undermined by concerns about inflation, energy security, skills shortages and general economic uncertainty, concerns that are compounded by increasing regulatory burdens.

EU growth forecasts remain low compared to other major and emerging global economies. This is an unsustainable trend that needs to be reversed swiftly.

From day one of the 2024-2029 mandate therefore, EU officials and politicians must help businesses make the switch from survival to success. To do this, they must get the policy balance right between heavily interlinked environmental, social and economic objectives.

There must be a firm focus on strengthening the single market, allowing businesses to scale up, innovate, invest, expand and compete across Europe and internationally. The single market already delivers considerable economic benefits and, if the many remaining barriers are effectively addressed, it can provide the springboard for EU recovery and growth.

The 2024-2029 EU term must also stem the flow of regulatory requirements that is increasingly stifling businesses and undermining their scope to plan and invest. Just as entrepreneurs need to be agile, innovative and adaptable to their environment, so do policy-makers.

Specifically, Eurochambres calls for a thorough review of the impact on EU competitiveness of the Green Deal proposals adopted during the previous mandate. There must in parallel be a pause on new ESG related legislation. The EU cannot afford to be a world leader in regulating to the detriment of its economic growth.

Despite the challenging context, there is much scope for optimism and progress. Europe has the entrepreneurs, the innovators and the creators that we need to drive our recovery and be competitive and sustainable. And EU policy-makers have the tools at their disposal to harness this potential. Let's work together to ensure that it happens!

Vladimír Dlouhý,
Eurochambres President



*Eurochambres President,
Vladimír Dlouhý, speaking during
the European Parliament of
Enterprises 2023*

AN ENABLING POLICY ENVIRONMENT FOR BUSINESSES

EU policies and legislation have a huge impact on the way businesses across Europe operate. The EU's legislative stockpile and potential new rules must thus be based on a more careful consideration of the needs of businesses - particularly SMEs - by all policy-makers at all stages.

RECOMMENDATIONS

- Ensure that all EU institutions comply systematically with their established commitments to evidence-based policy making and impact assessment.
- Pursue with rigour the announced measures to rationalise reporting requirements and take into account the cumulative burden of EU regulatory compliance on businesses.
- Build on the appointment of an EU SME Envoy to set out a substantive EU SME strategy, enshrining the 'think small first' principle across the European Commission and other institutions.
- Enable SMEs to access public, venture and debt-based funding to invest for growth by effectively deploying EU funds destined for entrepreneurs and enhancing the functioning of the capital markets union.

Policy recommendations from the Eurochambres Economic Survey 2024



#EntrepreneursSay to EU policy-makers



Eurochambres President Vladimír Dlouhý and European Commissioner for Economy, Paolo Gentiloni

DELIVERING THE SINGLE MARKET

The single market is Europe's main asset for ensuring inclusive growth and job creation, and an essential driver for investment in key industries. Much has been achieved since its creation 30 years ago, but much more needs to be done if our companies are to be able to buy and sell goods and services freely across EU borders.

RECOMMENDATIONS

- Focus on the correct implementation of EU rules and a more robust approach to ensuring member state enforcement in order to ensure a more level playing field for businesses.
- Tackle obstacles and restrictions encountered, in particular in the field of services, for businesses to fully benefit from the single market.
- Revitalise Europe's competitiveness by creating a real level-playing field - including in the digital sphere - for companies to operate, lowering their cost of entry and reducing disproportionate administrative and regulatory burdens.



Eurochambres President, Vladimír Dlouhý, at EU Industry Days 2023



Eurochambres President, Vladimír Dlouhý with the author of the High-Level Report on the Future of the Single Market for the European Council, Enrico Letta

BRIDGING THE SKILLS GAP FOR GROWTH AND THE TWIN TRANSITION

Human capital is one of Europe's main competitive advantages, yet skills shortages are hindering businesses from growing, innovating and adapting to technological and environmental change. The EU can play an integral part in developing the skills needed for the future of work.

RECOMMENDATIONS

- Align jobs and skills strategies with the EU's industrial policy and labour market needs, informed by skills intelligence and underpinned by sound funding opportunities targeted at SMEs.
- Convert green and digital developments into knowledge and learning content with direct application in the labour market.
- Enhance the recognition of skills and qualifications for improved labour and learning mobility.
- Boost lifelong opportunities by integrating skills and innovation strategies into higher education and vocational training curricula at all levels.
- Streamline pathways to work in the EU through faster legal migration procedures and better skills matching and recognition of qualifications for third-country nationals.

★ **91% OF ENTREPRENEURS AT THE EUROPEAN PARLIAMENT OF ENTERPRISES 2023 SAID IT IS HARDER TO RECRUIT STAFF WITH THE RIGHTS SKILLS THAN FIVE YEARS AGO.**



Entrepreneur intervention during the Skills session of the European Parliament of Enterprises 2023



European Commissioner for Energy, Kadri Simson, during the Sustainability session of the European Parliament of Enterprises 2023

A ROBUST EUROPEAN STRATEGY FOR CLIMATE AND ENERGY RESILIENCE

EU sustainability policy initiatives must be refined and reevaluated to empower businesses – large and small - to make the green transition while remaining competitive.

RECOMMENDATIONS

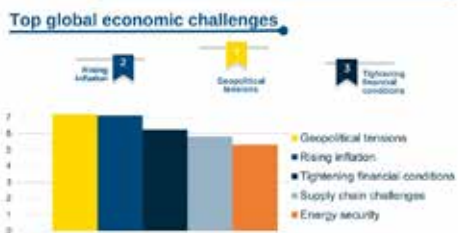
- Reassess the European Green Deal targets in a coherent, balanced, and realistic manner, ensuring a better balance between environmental objectives and economic growth.
- Develop a comprehensive European strategy to ensure consistent availability of sustainable energy at competitive and stable prices.
- Harmonise the EU industrial strategy with climate policies, carefully considering the needs of businesses.
- Enhance the development of global partnerships to achieve climate neutrality. Connect with other emission trading systems and streamline international agreements, particularly in standardising the CO2 calculation methodologies for goods and services.
- Review the sustainable finance framework to ensure that it promotes investments in a cleaner economy and meets the needs of SMEs.

A GLOBALLY COMPETITIVE EUROPE

The EU must capitalise on the single market to leverage reciprocal market access for EU businesses around the world and as a basis for an ambitious trade agenda.

RECOMMENDATIONS

- Expand the EU's network of bilateral trade agreements, in particular with the world's growth centres, to secure better and more reliable market access for European businesses.
- Pursue a coherent implementation of existing trade agreements, especially towards SMEs, building on the chamber network's unparalleled links to the business community.
- Strive to improve the functioning of the multilateral trading system through comprehensive reform.
- Expand European partnerships with third country markets in line with the twin transition.



Eurochambres 2023 Global Economic Survey



European Commission Executive Vice President and Commissioner for Trade, Valdis Dombrovskis, during the opening of the European Parliament of Enterprises 2023



AN EU THAT IS OPEN AND SUPPORTIVE TO ITS NEIGHBOURS

Strong cooperation between businesses in the EU and neighbouring countries, including the candidate and potential candidate countries, is essential to alleviate the massive socio-economic impact of the war in Ukraine and to facilitate the EU accession process.

RECOMMENDATIONS

- Bring the EU candidate and potential candidate countries closer economically, in particular through early access to the single market and a reliable, credible enlargement strategy including timeframe.
- Modernise the EU and Türkiye Customs Union.
- Involve the private sector in supporting Ukraine's resilience, reconstruction, and recovery.
- Improve competitiveness as well as trade and investment relations between the EU and its neighbouring countries, notably through enhanced public private dialogue and stronger cooperation between the business communities.



Eurochambres delegation mission to Kyiv, Ukraine, July 2023



Türkiye - EU Business Dialogue conference, January 2023



EU4Business: Connecting Companies conference, June 2023



THE CHAMBER NETWORK: TRUSTED SERVICE PROVIDERS TO EUROPE'S ENTREPRENEURS

Eurochambres is at the tip of an extensive pan-European network of over 1.700 chambers of commerce and industry, spanning more than 40 countries and representing the views of approximately 20 million businesses.

The chamber network supports businesses through a range of services and acts as a trusted intermediary between the grass roots economy and public authorities at local, regional, national and – through Eurochambres – EU level.

Eurochambres reflects this bridging role at EU level, bringing the views of entrepreneurs to the institutions and engaging businesses in EU policy. This is clearly illustrated by the biennial European Parliament of Enterprises™ in the Brussels hemicycle.

Eurochambres is committed to working for businesses across the chamber network and working with policy makers during the 2024-2029 term to get Europe's growth strategy back on track.

The Association of European Chambers
of Commerce and Industry



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