

Mr Andrej Vizjak, MSc
Minister of the Economy
Kotnikova 5
1000 Ljubljana
SLOVENIA

Brussels, 21 May 2008

Competitiveness Council, 29 – 30 May 2008

Dear President,

It is my pleasure to convey BUSINESSEUROPE's reaction and expectations with regard to the agenda for the next Competitiveness Council on 29-30 May.

BUSINESSEUROPE is satisfied that the Competitiveness Council has cleared the way for adoption of a coherent package of initiatives to give European industry a fresh impetus on **competitiveness and innovation**. This includes progress on lead markets, pre-commercial public procurement, venture capital and the elimination of obstacles to cross-border investments.

The Competitiveness Council ought to play a key role in strengthening interaction and cohesion between other elements of the EU **research and innovation** strategy and all the actions taken at regional, national and EU level to enhance competitiveness and the knowledge-based economy. It is particularly important to stimulate mutual reinforcement between initiatives such as the European Institute of Innovation and Technology, lead markets, clusters, sustainable industrial policy and the European Research Area.

On the proposals for a **common patent litigation system and the Community Patent**, BUSINESSEUROPE supports very much the efforts of the Slovenian presidency. Any new litigation system and a much needed integrated Community Patent must bring real improvements for companies and deliver the highest quality, cost-effectiveness, legal certainty and reliability.

Regarding the review of the **better regulation** project, we are calling for much more concrete and speedier results when it comes to simplification, impact assessments and lower administrative costs. The Council and European Parliament should deal with simplification proposals more rapidly and systematically assess the impact of legislative amendments.

The 25% target for reducing administrative burdens by 2012 should not be limited to information obligations. Reducing compliance and enforcement costs, in particular at national level, has to be achieved with the prompt involvement of relevant stakeholders in the process.

Lastly, I regret that the Competitiveness Council is not more active in the ongoing discussions on **climate change**. The proposal of the Commission will have important competitiveness impacts on the EU industry. In particular, the Commission's current approach based on carbon-leakage-linked criteria is not appropriate for preventing the negative economic impacts of EU auctioning of Emission Trading Scheme (ETS) allowances in the absence of an international agreement.

I take this opportunity to thank you for your efforts to advance the competitiveness agenda during your Presidency, and for actively maintaining close relations with the business community.

Yours sincerely,



Ernest-Antoine Seillière