

The view from Brussels

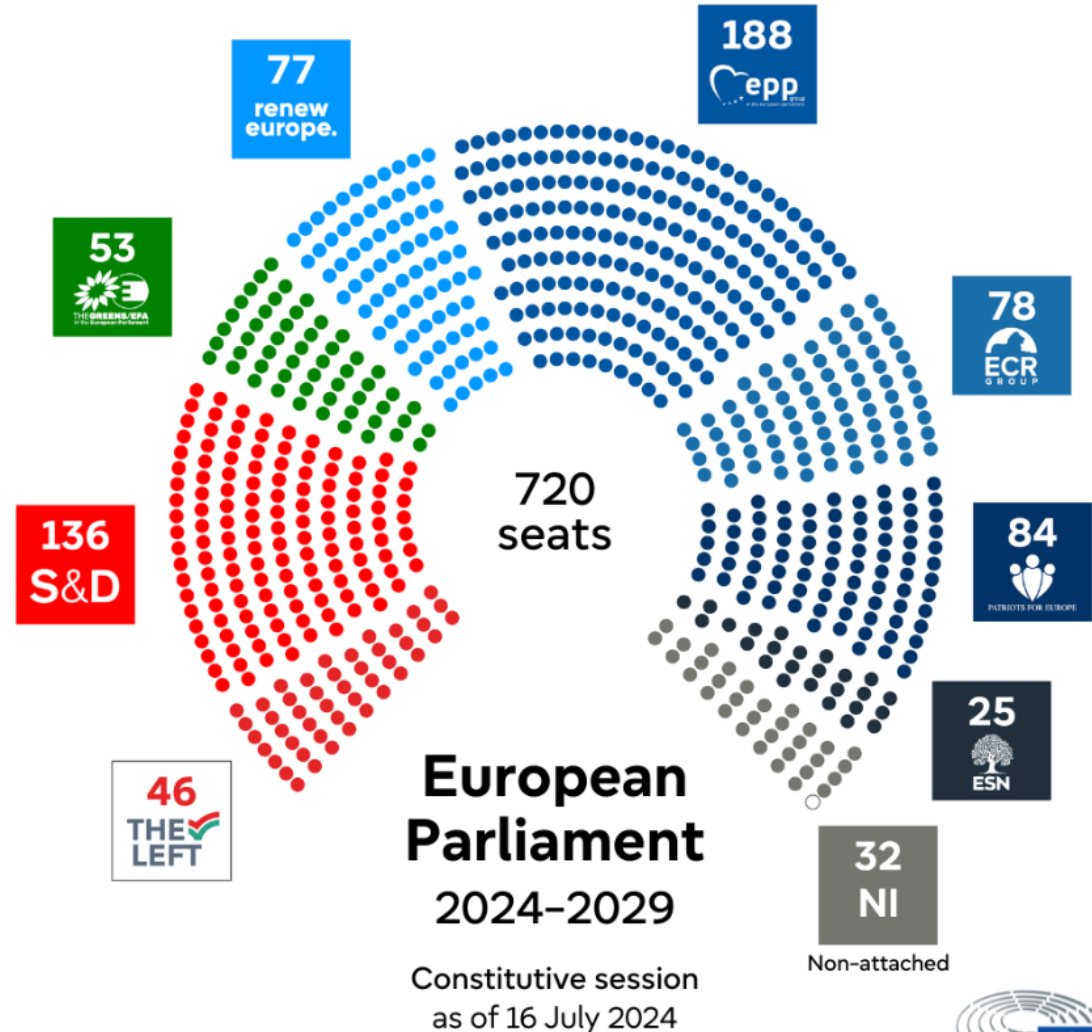
ACE Best Practice Conference – Lisbon



Susan Danger
Roger Coelho

September 2024

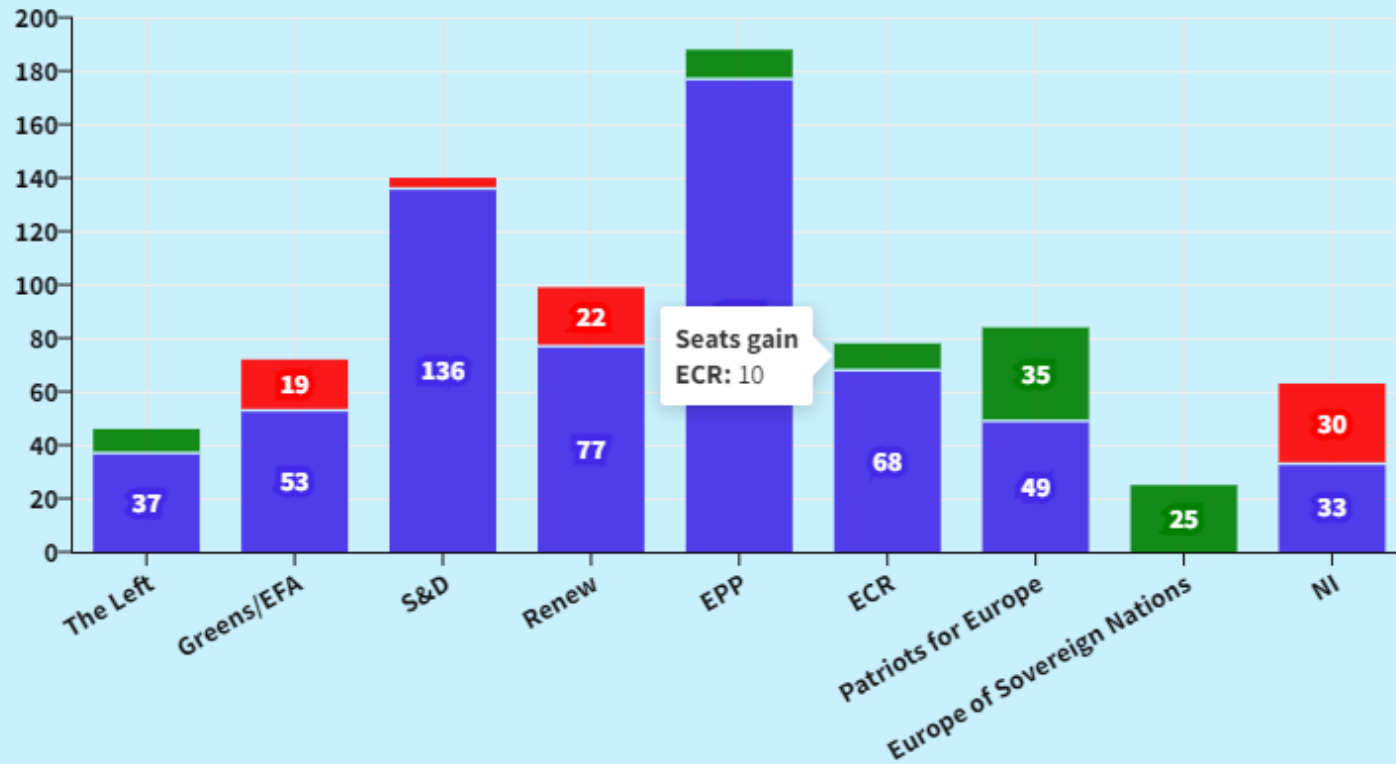
European Parliament 2024-2029



Balance of power in the newly elected European Parliament

Based on current affiliation

■ Number of seats ■ Seats gain ■ Seats loss



**Teresa Ribera
Rodríguez**
Executive Vice-President
Clean, Just and
Competitive
Transition



Maroš Šefčovič
Commissioner
Trade and Economic Security
Interinstitutional Relations
and Transparency



**Ursula
von der Leyen**
President



Valdis Dombrovskis
Commissioner
Economy and
Productivity
Implementation
and Simplification



Dubravka Šuica
Commissioner
Mediterranean



Henna Virkkunen
Executive Vice-President
Tech Sovereignty,
Security and
Democracy



Olivér Várhelyi
Commissioner
Health and
Animal Welfare



Wopke Hoekstra
Commissioner
Climate,
Net Zero and
Clean Growth



Andrius Kubilius
Commissioner
Defence and
Space



Marta Kos
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Industrial Strategy



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Costas Kadiris
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Oceans



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and the Savings
and Investments
Union



Hadja Lahbib
Commissioner
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and Crisis
Management
Equality



Kaja Kallas
High Representative/
Vice-President
Foreign Affairs
and Security
Policy



Magnus Brunner
Commissioner
Internal Affairs
and Migration



Jessika Roswall
Commissioner
Environment,
Water Resilience
and a Competitive
Circular Economy



Piotr Serafin
Commissioner
Budget, Anti-Fraud
and Public
Administration



Dan Jørgensen
Commissioner
Energy and
Housing



Roxana Mînzatu
Executive Vice-President
People, Skills and
Preparedness



Ekaterina Zaharieva
Commissioner
Startups, Research
and Innovation



Michael McGrath
Commissioner
Democracy, Justice
and the Rule of Law



**Apostolos
Tzitzikostas**
Commissioner
Sustainable
Transport and
Tourism



Raffaele Fitto
Executive Vice-President
Cohesion and
Reforms



**Christophe
Hansen**
Commissioner
Agriculture
and Food



Glenn Micallef
Commissioner
Intergenerational
Fairness, Youth,
Culture and
Sport



Political guidelines for the next European Commission

- A new plan for Europe's sustainable prosperity and competitiveness
- A new era for European Defence and Security
- Supporting people, strengthening our societies and our social model
- Sustaining our quality of life: food security, water and nature
- Protecting our democracy, upholding our values
- A global Europe: Leveraging our power and partnerships
- Delivering together and preparing our Union for the future

Attractiveness of Europe



Agenda for Action 2024-2029





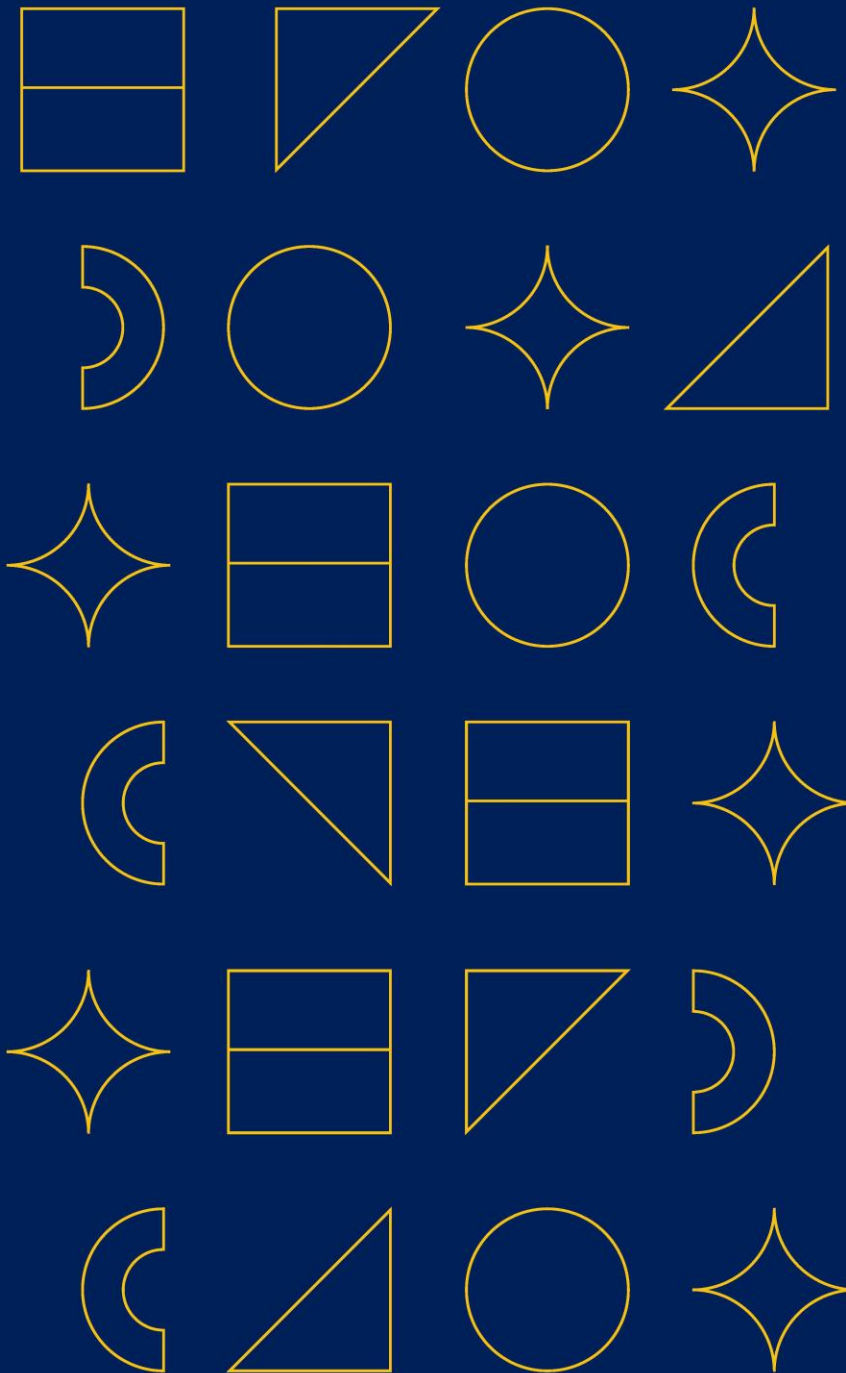
**A competitive,
sustainable and
digital Single Market**



**A strong and resilient
Europe on the
international scene**



**An equitable and
democratic Europe**



Draghi Report: The future of European competitiveness

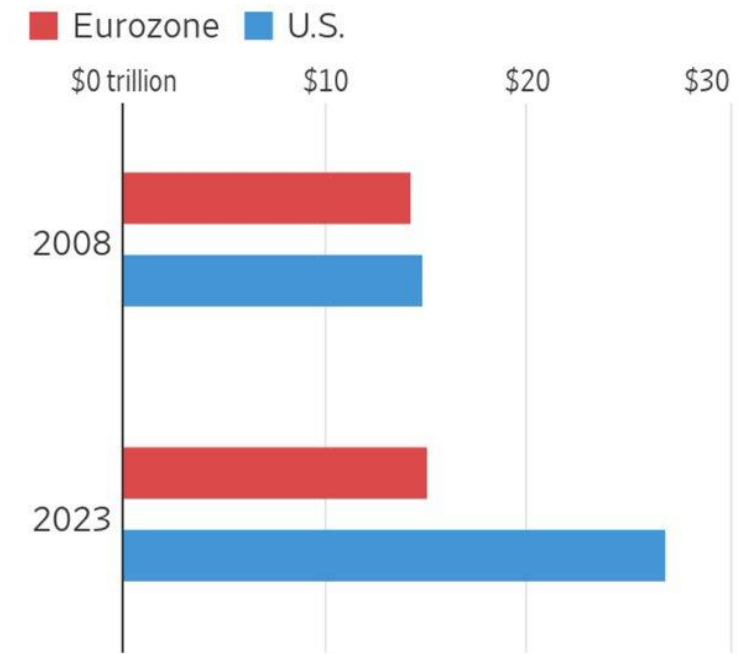


What is the Draghi report?

- Former Italian PM's long-awaited report on the future of EU competitiveness
- Why it matters – EU's poor competitiveness, productivity + GDP compared with US + China – the political hot topic of 2024
- Draghi warned that threat is existential + EU needs to focus on 3 crucial issues
 - closing the innovation gap with the US and China
 - developing a joint plan to link the goal of decarbonisation with increased competitiveness
 - boosting Europe's security and reducing its dependence on foreign economic powers.

"It's 'Do this' or it's a slow agony"

Gross domestic product, current prices



Source: International Monetary Fund

What did the Draghi report recommend?

- 400 page report with both sectoral & horizontal recommendations
- **More investment** - €750-800 billion per year - 5%-point rise in the EU's total investment-to-GDP rate
- **Revamp competition rules** – to help EU companies scale & compete with Chinese & US rivals
- **Fix the regulatory burden** – simply + remove red tape, but also prioritise EU companies to help them scale
- **Skills & innovation shortage** – it's hard for EU start-ups to scale up & access skilled talent

AmCham EU's reaction

- Swift concrete policy action now needed, but EU should not turn its back on US businesses committed to Europe
- **European preference principle in defence** – will not address European security needs in near term
- **Rethink EU approach to regulation** – simplification would benefit all business, constructive ideas in our Competitiveness Scorecard
- **Address barriers to scaling up business finance** - complete the Banking Union, strengthen foreign direct investment screening, political buy-in across member states on joint financing
- **Prioritise Europe's strategic international partnerships** – diversity supply sources of critical resources through agreement & partnership with reliable global suppliers; increase public-private partnership

Key takeaways for ACE colleagues

- TLDR: Time for the EU to walk the talk – but discriminating against US businesses will be counterproductive
- European preference principle/hints of protectionism in both digital + defense
- Not clear if there is Member State consensus + energy to action Draghi's more controversial recommendations (eg joint financing)
- Draghi ideas referenced in VdL's Mission Letters to Commissioner candidates
- Concerning: limited engagement by Draghi team with US business in preparation of the report



Home / News / Economy / US firms warn against Draghi report's 'European preference', risks for defence sector

US firms warn against Draghi report's 'European preference', risks for defence sector

By Thomas Moller-Nielsen | Euractiv | Est. 5min

Sep 16, 2024 (updated: Sep 18, 2024)

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Competitiveness Scorecard



Competitiveness Scorecard – 10 Key Metrics

1. Enhance the Single Market, ensure an **even playing field**?
2. Make EU more **open to trade & investment**, strengthen EU's relationship with like-minded trade partners?
 3. Make EU's **workforce more skilled**?
 4. Foster **innovation & its translation to industry**?
 5. Support **supply chain & infrastructure investments**?
 6. Grow **GDP & productivity** across the EU?
 7. **Accelerate digitalisation** across the EU?
8. **Decrease costs & regulatory burdens** for business and consumers?
 9. Improve consumers' **purchasing power**?
10. Enhance EU's **competitive resilience in a changing world**?

US Elections and Transatlantic Relations



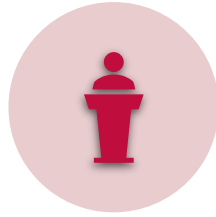
Top issues and trends



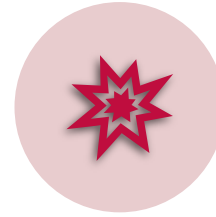
GEOPOLITICAL
TENSIONS



NEW EU
INSTITUTIONS



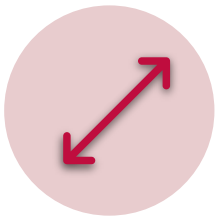
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IMPLEMENTATION



ENGAGEMENT
STRATEGY

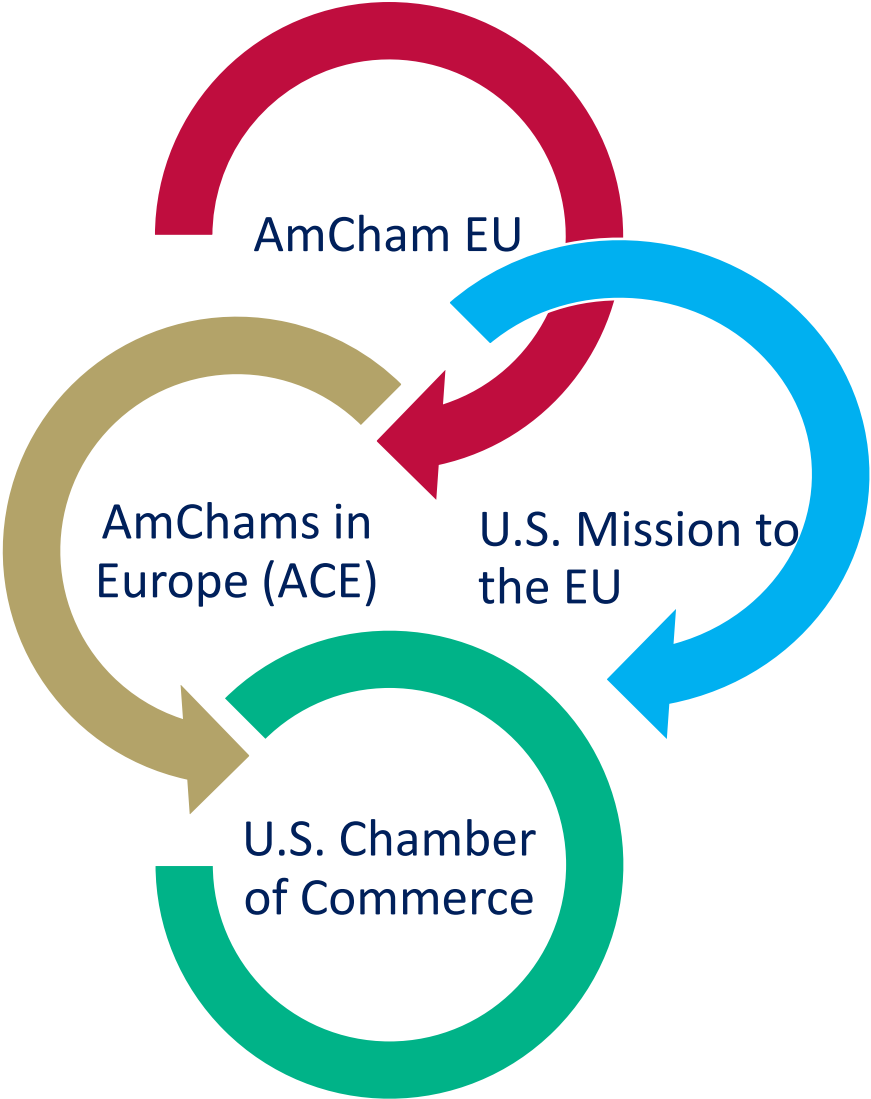


DIGITAL / AI



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BUDGETS

The relationship



Engagement

- Regular EU Policy coordination calls for AmChams
- Position paper distribution/co-signing
- Secretariat and/or President outreach to national AmChams
- National AmCham visits to Brussels
- Annual Brussels Briefing
- Sponsorship and co-branding opportunities (Transatlantic Economy Report)
- EU Council Presidency outreach to national AmChams

Thanks!

amchameu.eu

