

26 November 2015

Dear First Vice-President Timmermans,

As you know, the European economy is at a pivotal moment. In many countries economic recovery is on the way. But it is not secured for the long term. The challenge of global competition is intense. We must rise to this and deliver new sources of growth and productivity, unleashing the potential of all businesses from the smallest start-ups to the biggest multinationals.

This requires real change. Our regulatory system needs to be fit for the 21st century. This means better and simpler regulation. Unnecessary burdens in EU legislation must be removed while always taking into account proper protection of consumers, health, the environment, employees and financial market stability and respecting existing protection standards.

We welcome your leadership and the more strategic approach already taken by this Commission in pursuit of this objective. We welcome the streamlined 2016 Commission Work Programme and its focus on competitiveness. We also welcome the Commission's commitment to the 'Think Small First' principle, and the resultant improvements already delivered, and hope we can use the ongoing negotiations on the Inter-Institutional Agreement on Better Regulation to obtain equally strong commitments from the Council and European Parliament. However, we feel this could be further strengthened to ensure that this commitment translates into action.

We support your commitment to better regulation. Like you, we recognise the need to address the quality of EU legislation as well as to reduce its overall regulatory burden, without undermining its policy goals. This must include both the existing acquis and new proposals in order to ensure that EU regulation is transparent, simple and is achieved at minimum cost, while fostering competitiveness, growth and jobs.

We must build on the momentum for change in our regulatory culture and ensure that progress is never rolled back. It must nourish entrepreneurship and innovation, and provide for the future prosperity of all our citizens.

You have demonstrated great ambition in the reforms you have already introduced and in your better regulation package of May 2015. But one particular – and essential – reform is still missing: we now need to establish targets for reducing the burden of regulation in particularly burdensome areas, in line with the conclusions of the Competitiveness and European Councils.

At the same time we recognise that all institutions have a responsibility to reduce the burden of regulation on businesses, such as by supporting the effective implementation of reduction targets once agreed and introduced. Many Member States have successfully introduced burden reduction targets in their national better regulation efforts which can inspire targets at a European level.

The introduction of such burden reduction targets would mark a major step forward in our approach to smarter regulation. This would of course be fully in accordance with the principles of the single market. The effects would be clearly experienced by our businesses and economies and would impact on the way the EU is perceived by our citizens. The Union must concentrate its action on areas where it makes a real difference; it should refrain from taking action when Member States can better achieve the same objectives.

Given the leadership you have already shown on this agenda, and in the spirit of a joint commitment on better regulation we look forward to a discussion with you on these matters at the Competitiveness Council on 30 November.

Dr Reinhold Mitterlehner, Vice-Chancellor and Federal Minister for Science,
Research and Economy
Austria

Vladislav Goranov, Minister for Finance
Bojidar Lukarski, Minister for Economy
Bulgaria

Ivan Vrdoljak, Minister of the Economy
Republic of Croatia

Constantinos Petrides, Deputy Minister to the President
Cyprus

Jan Mládek, Minister of Industry and Trade
Czech Republic

Troels Lund Poulsen, Minister for Business and Growth
Claus Hjort Frederiksen, Minister of Finance
Denmark

Alexander Stubb, Minister of Finance
Jari Lindström, Minister of Justice and Employment
Finland

Emmanuel Macron, Minister for the Economy, Industry and Digital Affairs
France

Sigmar Gabriel, Federal Minister for Economic Affairs and Energy
Germany

Mihály Varga, Minister for National Economy
Hungary

Dara Murphy, Minister of State at the Departments of the Taoiseach and
Foreign Affairs
Ireland

Maria Anna Madia, Minister of Simplification and Public Administration
Federica Guidi, Minister of Economic Development
Sandro Gozi, State Secretary in charge of European Affairs
Italy

Evaldas Gustas, Minister of Economy
Rimantas Šadžius, Minister of Finance
Republic of Lithuania

Christian Cardona, Minister for the Economy, Investment and Small Business
Professor Edward Scicluna, Minister for Finance
Malta

Vazil Hudák, Minister of Economy
Slovak Republic

Boris Koprivnikar, Minister of Public Administration
Slovenia

Luis de Guindos, Minister for Economic Affairs and Competitiveness
Spain

Mikael Damberg, Minister for Enterprise and Innovation
Sweden

Sajid Javid, Secretary of State for Business, Innovation and Skills
George Osborne, Chancellor of the Exchequer
United Kingdom