

February 2014

Dear all

Thank you again for your support in your letter to EU leaders in advance of last October's European Council, calling for proportionate EU regulation which promotes competitiveness and helps businesses across the EU to grow. On the day of the Council, we presented our "Cut EU Red Tape" report to a group of EU leaders and President Barroso. The European Council subsequently agreed that further substantial efforts were needed to reduce the burden of EU regulation.

It's now been four months since publication of our report, and we wanted to take this opportunity to update you on the progress we have made. The report made 30 concrete recommendations to tackle burdens in specific areas, and we have already achieved good progress on seven of these:

- In December, practical and proportionate rules on Country of Origin Labelling for Food were agreed;
- On traineeships, the Commission brought forward a non-binding Recommendation instead of legislation in December;
- In January, the Commission adopted a non-binding Recommendation on Shale Gas, instead of binding legislation;
- Member States reached agreement in December on a streamlined approach for Clinical Trials, which should be formally agreed in the next few months;
- Member States reached agreement in December on new rules for Environmental Impact Assessments, which should minimise burdens on SMEs. This will be formally agreed with the European Parliament shortly;
- In October, the EU and Canada reached political agreement on the key elements of a Free Trade Agreement;
- Negotiations to agree a new EU Regulation to set a cap on interchange fees to be applied to debit and credit cards have been making very encouraging progress over the last few months.

We are also pleased to see a growing recognition of the COMPETE principles, our common sense filter for all new proposals for EU legislation. Notably, the European Parliament recently adopted a report on better EU law-making that reflects a series of the COMPETE principles – and calls for any new EU regulatory burdens to be offset by a reduction in existing burdens. Meanwhile several of the EU business organisations, including BusinessEurope and Eurochambres, have already promoted a range of these principles in their policy statements and EU manifestos.

We are really pleased with this progress. But we need to do more to ensure that better regulation remains at the forefront of the EU agenda, and that the COMPETE principles are placed at the heart of EU policy-making. The European Council will return to better regulation in June. Now is the time to

be calling for more ambition ahead of a newly-elected European Parliament and new Commission later this year.

Over the coming months, we will be working hard to promote our report across Europe, as will senior Ministers. We will be taking up the recommendations in the report, as well as promoting the COMPETE principles, to ensure that businesses across Europe remain competitive on the global stage. We would urge you to add your support to this effort - both in pressing for delivery of the most urgent Taskforce recommendations before the European Parliament elections, and calling for better regulation, and the Taskforce's recommendations, to be prioritised by the next European Commission and European Parliament. It would be particularly valuable if you could encourage your counterparts elsewhere in Europe, and any EU business organisations with which you are associated, to take up these messages vigorously in Brussels over the coming months.

Our recommendations are based on what businesses told us, and it is important that businesses throughout Europe continue to speak up on these issues. So we hope you will help us to promote the better regulation agenda across Europe at this crucial time.

Yours sincerely,

**EU Business Taskforce Members:**



Marc Bolland  
Marks & Spencer



Sir Ian Cheshire  
Kingfisher



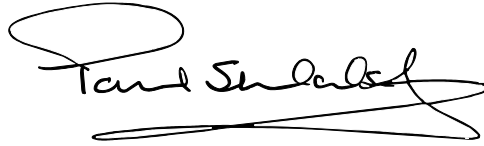
Glenn Cooper  
ATG Access



Louise Makin  
BTG

A stylized, handwritten signature in black ink, appearing to read 'D Murray'.

Dale Murray, CBE  
Entrepreneur and Angel Investor

A handwritten signature in black ink, appearing to read 'Paul Walsh'.

Paul Walsh  
Compass

\* Cut EU Red Tape Report: <https://www.gov.uk/government/publications/cut-eu-red-tape-report-from-the-business-taskforce>