

(English version)

**Question for written answer E-002935/24
to the Commission**
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(13 December 2024)

Subject: The real role of the European competitiveness compass

In the months since the European Parliament elections, her election and the election of the College of Commissioners, the Commission President has been clear about the top priority for her term of office: the competitiveness of the EU economy. It is a concern that naturally dates back to before the current term, as reflected in the Draghi report on competitiveness and the Letta report on the single market.

In July 2024 ⁽¹⁾, Ursula von der Leyen cited competitiveness and prosperity as the number one priorities of her term of office. She committed to a competitiveness check for small and medium-sized enterprises under the better law-making package and to a new European Competitiveness Fund. She was re-elected President of the Commission.

In November 2024 ⁽²⁾, the President-elect announced a European Competitiveness Compass built on three pillars: innovation, decarbonisation and security. The College of Commissioners was elected.

In view of the above:

1. What will the European Competitiveness Compass involve in practice? What is the time line for it to be presented?
2. Will the Compass include the announced competitiveness check?
3. Will the Compass include the announced European Competitiveness Fund?

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Answer given by President von der Leyen on behalf of the European Commission
(10 March 2025)

1. The Commission presented the Competitiveness Compass on 29 January 2025 ⁽¹⁾. The Compass gives a clear strategic framework to enable the EU and Member States to steer policies in the same direction. It builds on the framework provided by the Draghi Report ⁽²⁾, notably by setting out measures to underpin three transformational imperatives for competitiveness: closing the innovation gap, a joint roadmap for decarbonisation and competitiveness, and increasing security and reducing excessive dependencies. It furthermore sets out horizontal enablers of EU competitiveness and identifies key policy actions for the mandate. The Annual Single Market and Competitiveness Report ⁽³⁾, published at the same time, provides the analytical context for the Competitiveness Compass.

2. As explained in the Competitiveness Compass, a simpler, lighter and faster regulatory framework is a horizontal enabler of competitiveness. The new enhanced small and medium-sized enterprises and competitiveness check in impact assessments will become a stronger filter for new initiatives, also assessing the expected variations in cost differentials compared to other international competitors.

3. The Competitiveness Compass specifies that in the next multiannual financial framework a new European Competitiveness Fund should respond to the funding needs, covering EU public goods and multi-country investment projects. This should be in line with commonly agreed funding priorities, including de-risking, leveraging private investments, and supporting research and development. The Fund will operate in a more integrated fashion preventing the fragmentation of the EU budget over too many programmes with limited coordinated steer and high complexity for industry.

¹ https://ec.europa.eu/commission/presscorner/detail/ov/STATEMENT_24_3871

² https://ec.europa.eu/commission/presscorner/detail/en/speech_24_6084

⁽¹⁾ A Competitiveness Compass for the EU, COM(2025) 30 final.

⁽²⁾ https://commission.europa.eu/topics/eu-competitiveness/draghi-report_en#paragraph_47059

⁽³⁾ The 2025 Annual Single market and Competitiveness Report, COM(2025) 26 final.