

2 December 2024

Executive Vice-President Stéphane Séjourné European Commission Brussels, Belgium

Dear Executive Vice-President Stéphane Séjourné,

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – I write to congratulate you on your successful appointment as Executive Vice President for Prosperity and Industrial Strategy.

President von der Leyen has tasked the new College of Commissioners with addressing the urgent need to close Europe's innovation gap and ensure competitiveness on the global stage, initiatives which we fully support.¹ As highlighted in her Competitiveness Compass, achieving this goal requires a cohesive approach to reducing regulatory fragmentation, fostering innovation, and creating an environment where entrepreneurs and industry leaders can thrive.²

Your pivotal role leading on Prosperity and Industrial Strategy uniquely positions you to drive the strategic alignment necessary to achieve these objectives. Your commitment to a simplified single market and harmonized regulatory frameworks during your hearing highlights the potential for transformational change under your leadership. In this context, we would like to discuss three priorities aligned with your mission to enhance Europe's competitiveness and industrial strategy.

A Single Framework for Startups

Europe boasts immense talent, but national red tape often stifles the potential of its entrepreneurs. A single, harmonized framework for startups—referred to as "EU Inc." or the "28th regime"—would simplify business formation and scaling

https://progresschamber.org/wp-content/uploads/2024/07/Chamber-of-Progress-Letter-to-President-Von-der-Leyen-2 2-7-24.pdf

² Speech by President von der Leyen at the European Parliament Plenary on the new College of Commissioners and its programme (27 November 2024), available here.

across borders, enabling startups to grow and compete globally without leaving Europe.

Your comments during your hearing underscored the importance of this effort. You recognized the need for "un outil juridique qui doit permettre aux entreprises d'avoir un référentiel unique, et peut-être simple, pour opérer dans les 27 États membres sans avoir à changer de législation systématiquement" and noted that this work, while challenging, is a priority for the Commission. We are grateful for your acknowledgement as a 28th regime is something that has been petitioned for by Europe's start-up community for many years, and with increasing urgency.³

In addition, your proposed SME passport could streamline administrative processes, ensuring the 28th regime's success. Together, these initiatives would create an integrated framework that not only reduces red tape but also ensures that start-up ecosystems across Europe interoperate seamlessly.

As the Commissioner leading on industrial strategy, you can ensure this framework becomes a reality by aligning resources across DGs and encouraging collaboration between Commissioners such as McGrath and Zaharieva. Your leadership over the next five years will be vital in transforming these initiatives from concepts into the foundation of Europe's new digital economy.

Prioritising Innovation

Europe's competitiveness depends on creating an environment that fosters innovation while balancing the costs of regulatory compliance. Overly precautious regulations often defend against speculative harms but impose real-world costs on businesses and consumers. GDPR, while achieving important goals, illustrates how compliance complexities can inadvertently stifle innovation.

Your emphasis on scaling tech startups and ensuring consistent enforcement across Member States positions you uniquely to institutionalize innovation-first thinking across the Commission. By collaborating with other Commissioners, you can help ensure that enforcement approaches properly investigate impacts on innovation and dynamic competition. This alignment would create the necessary conditions for Europe's innovators to thrive and lead globally.

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³ https://www.eu-inc.org/petition

Establish a Compliance One-Stop-Shop

Fragmented enforcement of EU rules creates significant barriers for businesses attempting to scale, often forcing them to navigate conflicting decisions from different regulators. A compliance one-stop-shop would harmonize enforcement, enabling businesses to gain clear guidance and certainty while ensuring consistent application of rules across Member States.

During your hearing, you emphasized the importance of harmonizing legislation and reducing bureaucratic burdens, stating "je souhaite débureaucratiser, simplifier au maximum, y compris avec une vraie volonté politique. Cela ne veut pas dire déréguler." A compliance one-stop-shop would not only simplify, but strengthen. By streamlining enforcement mechanisms and providing legal certainty across a range of EU policy instruments, you would not only reduce administrative burdens but also ensure businesses can focus on growth and value creation for Europeans.

Your coordination role across Commission services uniquely equips you to drive this initiative forward. By fostering collaboration among enforcers and aligning cross-Directorate General efforts, you can ensure enforcement processes are efficient, predictable, and conducive to investment and growth. This effort would exemplify Europe's ability to balance innovation and governance while supporting businesses in creating value.

If there is anything we can do to help you progress on these priorities, please rest assured that we will. Chamber of Progress looks forward to supporting your Commission in advancing technological progress during the next five years, and beyond. We wish you the greatest success.

Sincerely,

Kayvan Hazemi-Jebelli

Senior Director for Europe

Kayvan Hazawi Jebelli