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At a time of rising challenges, such as increased global trade tensions, climate change, digitalisation and skills shortage, the American Chamber of Commerce to the EU (AmCham EU) calls for **concrete measures** at EU and national level to boost competitiveness and strengthen innovation of companies invested in Europe.

The EU is home to cutting-edge industries with high added value and competitive value chains. Its strong industrial foundation, skilled workforce and Single Market of more than 500 million consumers continue to position Europe as one of the top investment destinations. However, Europe's share of world manufacturing is shrinking. Productivity and R&D spending intensity are below other regions. Industry's competitiveness is heavily affected by high energy costs, persisting barriers to a fully-functioning Single Market, regulatory uncertainty, inadequate investment support schemes and unfair trading practices.

As the European Commission will shortly present its long-term strategy for the future of European industry, we call on Member States to work in close cooperation with both the Commission and the European Parliament to build a new approach to industrial policy structured around the following key principles:

- **Ensure that industry and consumers can enjoy the full benefits of the Single Market**, by accelerating efforts to overcome its persisting fragmentation, advancing the implementation of the Digital Single Market and the Capital Markets Union, and achieving a true Single Market in services and energy.
- **Create the right conditions for a sustainable, climate-neutral and digital future**, by adopting a cross-sectoral approach to the EU's industrial policy to avoid a disconnect between policy goals supporting the transition on one hand and industrial competitiveness on the other. Undermining competitiveness would hamper innovation and the ability of the EU to deliver on its ambition for climate and digital leadership.
- **Foster investment and innovation in people, technologies and processes**, by improving predictability and regulatory stability to attract investments, completing the adoption of the InvestEU fund to simplify the complex system of support schemes, and encouraging greater use of tax-credit schemes to support innovation.
- **Rebuild trust in global trade**, by continuing to engage with global partners to strengthen the rules-based multilateral trading system and address trading flows that distort competition globally, negotiating equal treatment and market access, and reinvigorating the transatlantic partnership including by encouraging greater EU-US cooperation in global standard setting.

These principles should guide the EU's action to strengthen industrial competitiveness and innovation. They can serve as a common basis to identify concrete tools and measurable targets. We also attach our position paper on a European Industrial Strategy, which provides several concrete recommendations to foster a strong and competitive industry.

Yours sincerely,



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