POLISH CONFEDERATION
LEWIATAN

STRATEGY FOR EUROPE

– Europe that is competitive, globally strong, business and employee friendly

Business priorities for the next EU institutional cycle
and the Polish Presidency of the Council of the European Union

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Republic of Poland

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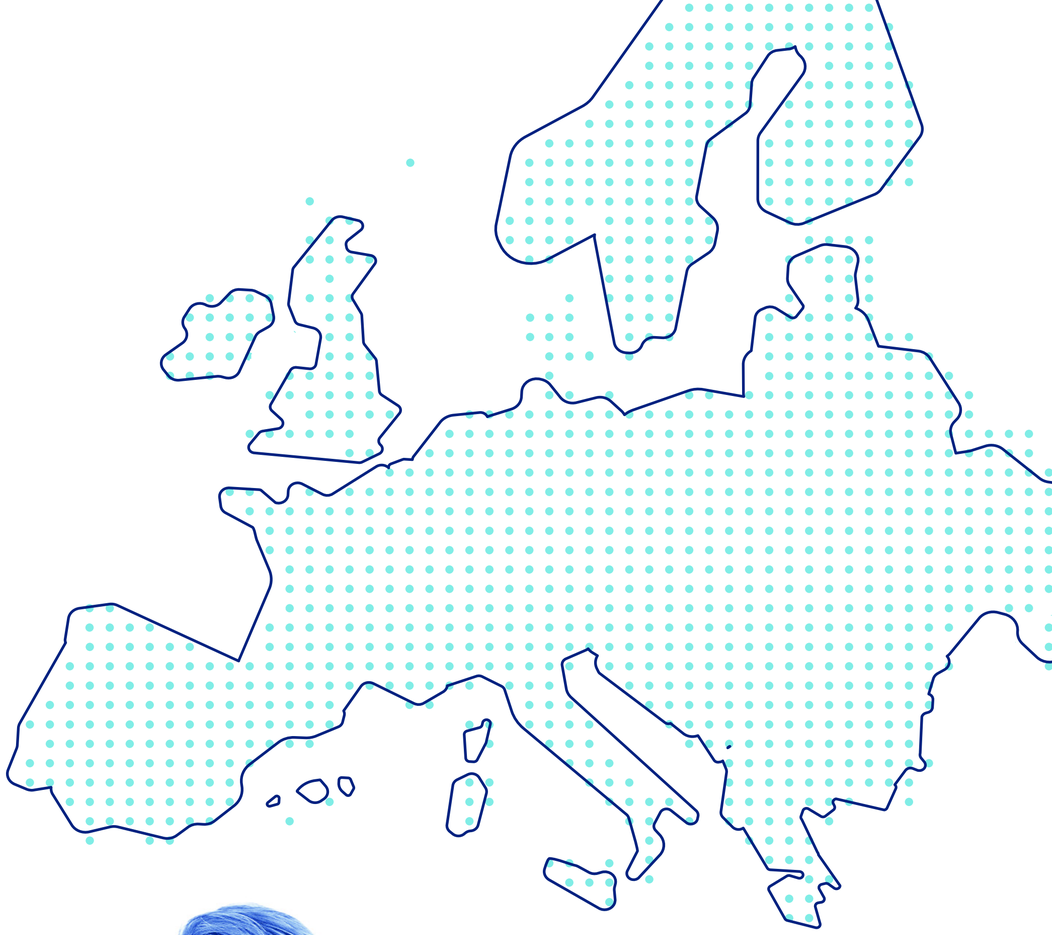
This is not an easy moment for Europe. The Covid-19 pandemic, Russia’s aggression against Ukraine and the never-ending conflict in the Middle East, the increasingly difficult geopolitical situation, the challenges of the green transition and the digital transformation that is proceeding at a dizzying pace. High energy prices, an unstable regulatory environment, over-regulation, as well as a shortage of manpower and skills, create unfavourable conditions for European businesses, hindering investment and stifling growth. We need a smart strategy for Europe to ensure growth, to improve the (long-deteriorating) competitiveness of European companies and the well-being of citizens.

On 1st January 2025, Poland will assume the Presidency of the Council of the European Union for six months. This will be the first presidency of a new legislative cycle, with a new European Parliament and European Commission. This provides Poland with a unique opportunity to influence the shaping of the strategic and programming documents of the EU institutions, which will determine the direction of the Community's development in the coming years.

Polish Confederation Lewiatan declares its willingness to support the government administration in the preparation and implementation of the Polish Presidency. We also declare our willingness to support relations with European business, within the framework of our activities in BusinessEurope and the European Economic and Social Committee.

Twenty years have passed since Poland’s accession to the EU. It has been a time of development and modernisation for our country. At this decisive time for Europe, when there is a war going on beyond the Union's eastern border, we should share our experience and become strongly involved in supporting the new EU candidate countries, especially Ukraine.



Maciej Witucki
President of Polish Confederation Lewiatan

dr Henryka Bochniarz
Chair of the General Council
of Polish Confederation Lewiatan

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In view of the new institutional cycle in the European Union, Polish Confederation Lewiatan presents business demands that we hope will inspire EU policy-making in the years to come, including during the Polish Presidency of the EU Council.

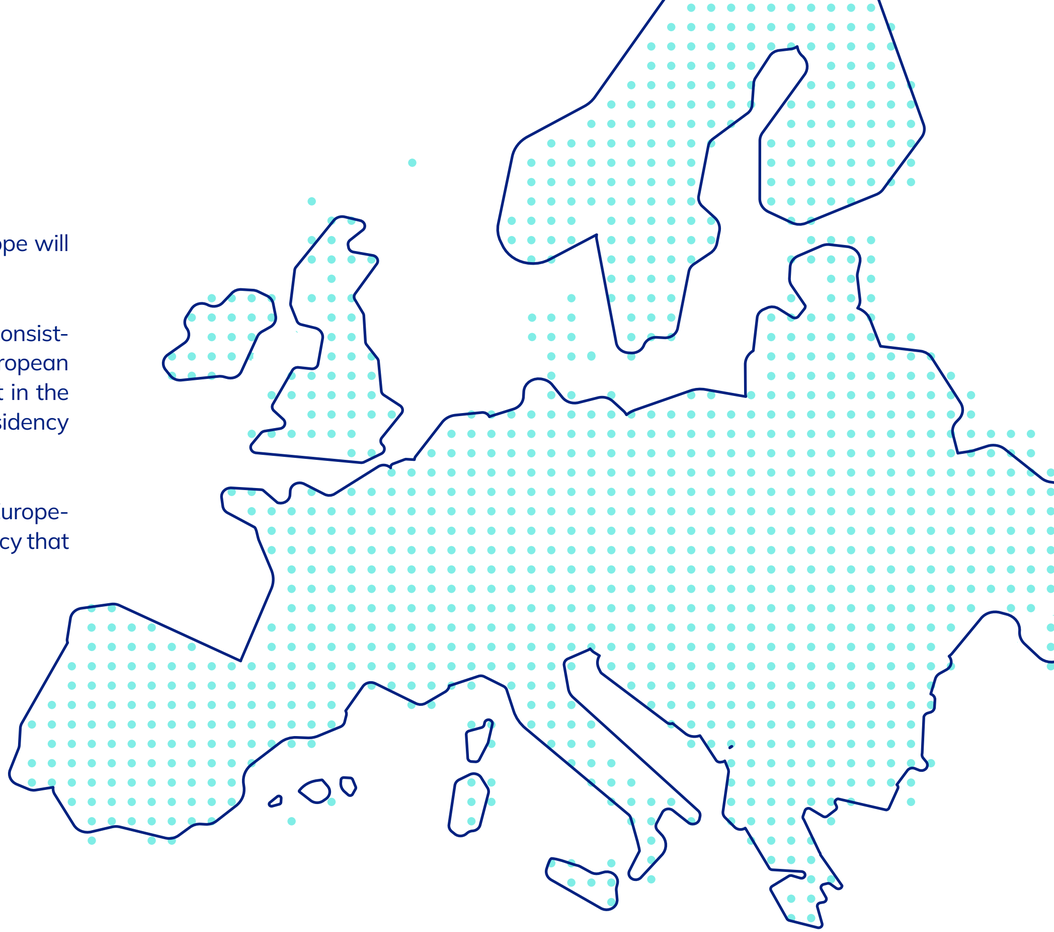
They are the fruit of extensive consultations with entrepreneurs and experts from various sectors of the economy. Many of them are consistent with the priorities of the European business federation BusinessEurope, which brings together employers' organisations from European countries, of which we are a member. Some of the priorities take into account the Polish specificity, which is particularly important in the context of the need to strengthen the voice of Polish business in the European decision-making process. We hope that the Polish Presidency of the EU Council will also be an opportunity to strengthen Poland's role at the EU level.

Our aim is to present proposals that will stimulate economic growth, EU innovation, create jobs, while respecting sustainability. The European Green Deal, which is the EU's ambitious plan to transform the continent, must be complemented by a comprehensive industrial policy that will support European business in this process, while ensuring Europe's competitiveness. The EU needs a long-term growth strategy.

We also want to draw attention to areas where, given the increasingly difficult and dangerous geopolitical situation, Europe needs to show more determination, as in the case of building defence capacity and strengthening security, and supporting candidates for membership, including Ukraine.

The new mandate in the EU is an opportunity to redefine and adapt the EU strategy to the dynamically changing global economic and political reality. The following postulates are Polish Confederation Lewiatan's contribution to the discussion on the future directions of its development.

Enjoy this reading.



Kinga Grafa

Luana Żak

Lech Pilawski

Ewelina Augustyniak

Business-friendly Europe

- We call for action that will strengthen the competitiveness of European companies and **bring stability and regulatory certainty**, as part of the Better Regulation agenda.
- We call for the **simplification of EU** regulations **and the reduction of burdens on businesses** by carrying out sound impact assessments.
- It is necessary to protect the Community market by ensuring harmonisation of EU law and not allowing national regulations that differentiate between the markets of individual EU countries. It is also necessary to ensure effective **enforcement of new regulations**.

Europe active on the international stage

- We emphasise the need to **finalise free trade agreements** with key trading partners, e.g. on access to energy and critical raw materials.
- We also emphasise the need to **increase trade and technology partnerships** (e.g. with the US and India) through specific targets on trade facilitation, standardisation, technological development and value chain resilience.
- We emphasise the need to **promote closer transatlantic cooperation, which is crucial for the security and prosperity of both partners**. US-EU cooperation should move towards enabling trade and investment in green goods, technologies and services, as well as supporting secure connectivity around the world.

Europe of growth for companies and citizens

- We call for **innovation-friendly solutions**, including a regulatory environment and incentives for companies.
- We emphasise the need to **strengthen the EU single market**, which is our most valuable asset. The last 30 years have shown that it is a key factor, driving economic growth, jobs, innovation and competitiveness and raising the living standards of Europeans.
- **A strong internal market increases our resilience to crises**. It is a tool for the EU to eliminate strategic dependencies, which is crucial in the current geopolitical situation.

Europe building its defence capabilities

- In the face of global challenges, the European Union must become **a stronger and more credible security guarantor**. We stress the need to **strengthen the European defence policy**. Security and stability are the basis for a well-functioning society and a strong and prosperous economy.
- We need **more and more effective defence spending**.
- We call for a **revival of the European defence technological and industrial base**. It is important to increase investment in the **development of a competitive and innovative defence industry in Europe**.
- It will be crucial to create **an effective instrument to enable joint procurement** of defence products in the EU.

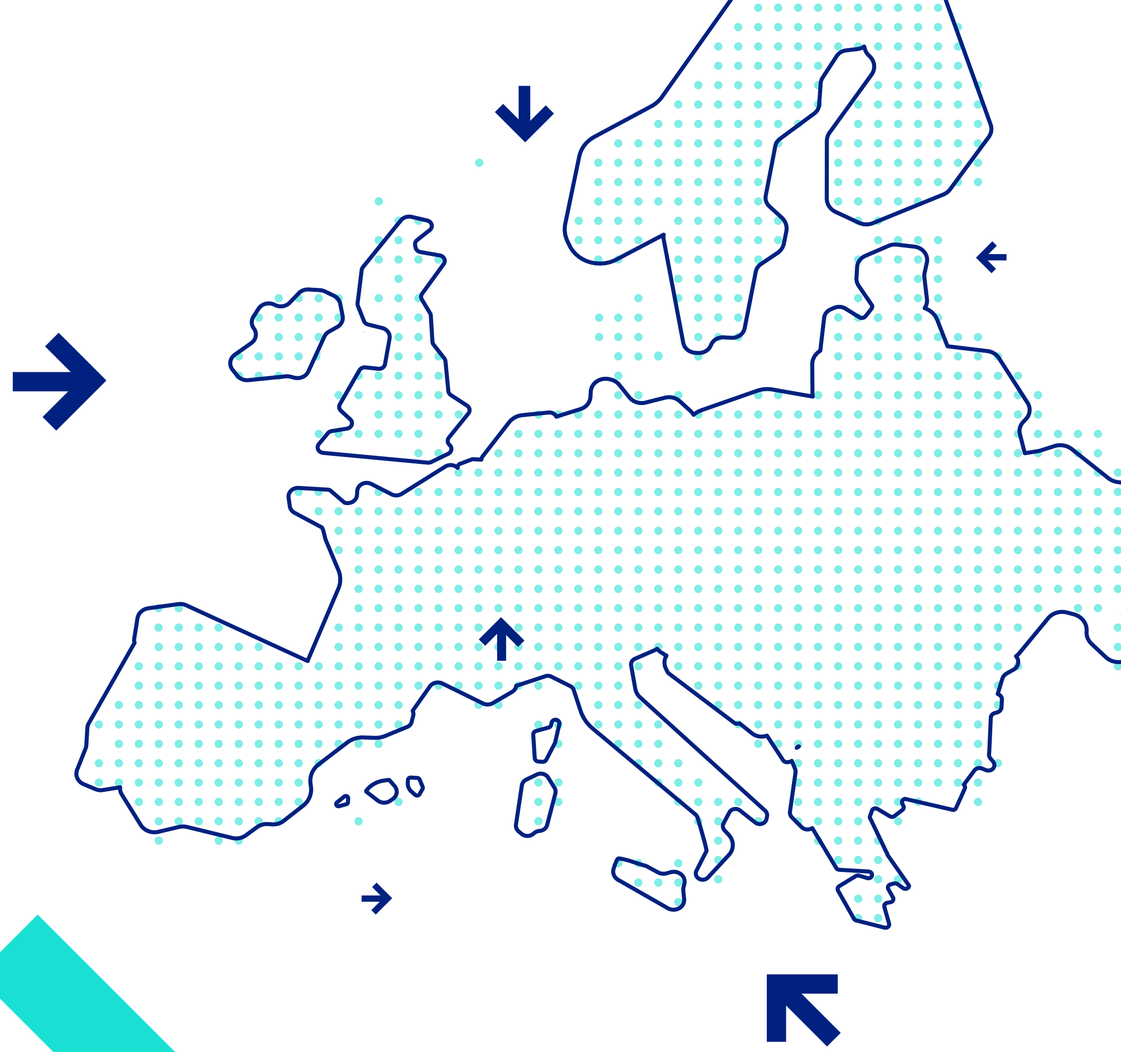
Europe supporting the accession of new members

Each of the EU's enlargements to date has provided a **new impetus for economic development** by opening up new markets and opportunities for integration. This was also the case in 2004, when the EU welcomed 10 countries from Central, Eastern and Southern Europe, including Poland, followed by Bulgaria, Romania and Croatia. Every enlargement also brings **challenges and difficulties**, such as greater competition for limited EU funds. Nevertheless, the **benefits have always outweighed the costs**, and this is how the next planned enlargement to Eastern and Southern Europe should be viewed.

Therefore, an important objective of our Presidency should be to **support the accession of Ukraine, Moldova and Georgia to the European Union**. It is necessary to support measures aimed at helping these countries meet the necessary criteria for EU membership, including:

- **Offering capacity building programmes:** Help build their administrative capacity to effectively implement EU laws and policies.
- **Promoting reforms:** Supporting democratic reforms, the rule of law and the protection of human rights in these countries.
- **Facilitating trade and economic cooperation:** Strengthening economic ties through trade agreements, investment support and market access to boost economic development in these countries.
- **Engaging in diplomatic dialogue:** Keeping communication channels open to resolve issues, providing information on the progress of the accession process.

dr Andrzej Rudka



ENERGY SECTOR

In the face of an energy and environmental crisis, when the availability of fuels and energy has been reduced and the costs of energy production have thus increased considerably, the use of local energy resources, including renewable sources, the closed-loop economy and the transformation of the energy sector take on new importance. The energy sector is strategic not only for individual member states, but also for the European Union as a whole. It is therefore necessary to create a comprehensive strategy for the development of a common EU energy market.

The European Green Deal represents a huge challenge for all industries and companies, especially for small and medium-sized enterprises, which need support in implementing these changes. The next step should be the creation of a European Industrial Order, which will strengthen the global competitiveness of European industry. The Polish Presidency should therefore concentrate on creating a favourable environment for the implementation of the ambitious goals of green transformation, taking care to ensure the competitiveness of industry and the highest possible level of energy security. Financial support for entrepreneurs during the period of change is also extremely important.

Jakub Safjański

Paulina Grądzik

Jan Ruszkowski

Piotr Mazurek

Energy-independent and competitive Europe

- We emphasise the need for further action to **ensure the EU's energy independence and competitiveness**, while ensuring an appropriate investment climate and protecting the internal market.
- **"EU Energy Strategy" should be created to make Europe one of the best low-cost suppliers of electricity:** strengthening the supply of renewable energy and low-carbon hydrogen at competitive costs.
- Under the European Climate Law, interim greenhouse gas reduction targets will be set for 2040. We call for a **full regulatory impact assessment** to be carried out when working on the Commission's legislative proposal and **for the process to be as transparent as possible**. The stability and predictability of national law and regulatory policy is critical to meeting the EU's 2040 climate policy goals.
- **We draw attention to the need to continue to work with the EU institutions, in view of the upcoming transposition of most of the legislation included in the "Fit for 55" package, to complete work on those projects that are currently on hold**, such as the revision of the Taxation Directive (ETD), so that the result is a coherent legal framework for the decarbonisation of the EU economy for the benefit of citizens.
- **An equitable energy transition must be supported and promoted** in countries that, due to their historical circumstances, require dedicated tools and measures to decarbonise the energy system and important sectors of the economy.
- Given the growing demand for electricity, we believe that a discussion is needed on **how renewable energy generation installations and the grids to which they are connected will be assessed from the security perspective of Member States**. Will countries seek to make these installations part of national critical infrastructure? If so, what will this mean for both the owners/operators and the installations themselves? Are there plans to develop Europe-wide common rules to ensure an adequate level of security for installations and networks?

ENERGY SECTOR

Europe investing in RES

- **We call for the promotion of long-term solutions for the cost-effective decarbonisation of EU economies, based primarily on renewable energy sources, gaseous renewable fuels (e.g. green hydrogen)**, as well as initiatives to distinguish market-based mechanisms for the purchase of renewable energy for industry, e.g. through PPAs.
- **We emphasise the need to support the regulatory environment for the development and reconstruction of distribution and transmission networks with solutions**, especially in terms of financing investments and modernisation, that do not transfer the entire impact of this development to consumers and in terms of RES access to the grid. In this context, there is a need to review the current regulatory models with regard to the design of grid charges.
- **We emphasise the need to develop an EU-wide model for source curtailment charges, mainly RES**. With an increase in installed capacity, in the absence of an increase in consumer consumption, the problem will grow and could potentially lead to a conflict between grid operators, consumers and generators over who should bear the costs of redispatching generation and in what amount. An EU solution should, on the one hand, provide investment signals for new technologies and services (storage, flexibility, etc.), provide a sustainable environment for investments in new generation capacity and, on the other hand, provide additional impetus for further grid extensions, planning towards future investments and coordinated connection efforts.
- An important long-term priority should also be **the implementation of an appropriate regulatory framework to facilitate regional cooperation on grid expansion**. Increasing the share of cross-border connections improves the certainty of power supply to electricity consumers, increases the reliability of the grid and will improve the conditions for power output for large sources located in the north of the country, allowing more RES facilities to be connected to the grid. Increased energy exchange with neighbouring countries promotes marketisation of energy prices.
- **Extensive bureaucracy and complicated permitting procedures significantly hamper RES development**. An example is the 200 MW Przykona PV solar power plant, which opened in early October. Despite the short construction period (September 2022 to September 2023), the process of obtaining the necessary permits and resolving bureaucratic issues took 6 years! **We call for the simplification and shortening of these procedures, as well as the unification and standardisation of regulations for the siting of RES investments at EU level**. It is necessary to urgently and consistently implement the revised Directive (EU) 2023/2413 on the promotion of the use of energy from renewable sources (RED).
- **The development of the energy storage sector is key to effectively harnessing the growth of renewable energy in the generation mix**. We call for support in accelerating the development of energy storage infrastructure to enable more efficient management of diverse generation and demand profiles. Electrification and sector coupling will be increasingly important in raising the capacity to integrate a high share of RES in the electricity mix, and in this context, energy storage in diverse carriers and district heating systems.

Europe promoting green innovation

- **We believe that it is important to develop national strategies for the transformation of industry** that identify opportunities for new, innovative solutions to reduce CO_2 emissions from industry, such as building materials. On this basis, a budget could be adopted for the implementation of support for industry, and the EU and Member States could identify legal and organisational instruments to ensure the implementation of industrial policy.
- **We propose the creation of a pan-European programme for industrial transformation analogous to the NIP**, with similar funding mechanisms, but far more transparent in terms of investor participation in the planning of national projects and reforms.
- **We call for the provision of support mechanisms for entrepreneurs in the implementation of the Green Deal**, e.g. financial (EU funds, access to clear information on funding sources), expert (training, expert base, consultancy firms), etc.

CIRCULAR ECONOMY

Europe as a circular economy

- **The EU should take an ambitious approach to the EPR rules**, which are currently very fragmented. Producers have to register, report and pay fees in each Member State where they place even small quantities of products sold (e.g. when selling online from another country). We therefore call for **harmonisation of these rules, in particular for a "one-stop-shop" EPR register** (so called one-stop-shop, similar to the VAT rules), **which would enable SMEs to fulfil their registration obligations in one place for the entire EU**. We also call for exemptions for micro-enterprises, such as those adopted in the Regulation on Packaging and Packaging Waste.
- We call for recognition of **the key role of chemicals** in achieving **the objectives of the European Green Deal**.
- We call for **investment and funding opportunities** for large-scale **projects for the processing, production and recycling of critical industrial raw materials and battery materials**.
- **We note that regulations should reflect technical progress**. The existing and continuously revised sectoral and peri-sectoral regulations require many elements of labelling, including those aimed at ensuring safety and appropriate consumer information. In addition, the Green Deal and other regulations (including: PPWR, ESPR, REACH revision for microplastics) introduce a number of new product labelling obligations. As a result, the total number of labelling elements becomes impossible on product packaging. **Digitisation makes it possible to include some of the labelling elements digitally, so we call for strengthening the development of innovation and digitisation**.

HEALTH SECTOR

As Polish Confederation Lewiatan, our position is that **the European Health Union should be deepened**. The work initiated by the difficult experience of the Covid-19 pandemic should be continued in order to strengthen health systems in the European Union. This is particularly important in the context of an ageing European population and shortages of medical staff in Europe. There are already around 10 million people over the age of 60 in Poland, and by 2030 there will be almost 14 million. **Similar trends exist throughout Europe. In 2050, 30 per cent of the European population will be in the 65+ age group. In 2050, the cost of ageing in the European Union will reach more than 25 per cent of the EU's National Product**.

Another important demand is to **give new powers to pharmacists**, to whom the statistical citizen has the easiest access, and to raise citizens' awareness in the context of preventive healthcare and how to take care of their own health. The 2019 European Commission data show that EU countries spend an average of only 2.9 per cent of their healthcare budgets on prevention, while nearly 70 per cent is spent on treatment and long-term care for largely preventable diseases. In light of these data, it is important that a systemic approach to healthcare should consider prevention and self-management in addition to treatment.

We also call for continued efforts to **strengthen the production of critical medicines in the EU**. The EU institutions have an interest in this issue as part of strengthening the EU's strategic autonomy. Currently, 80% of the active substances used to produce medicines are produced outside the EU. The European Medicines Agency published a list of critical medicines in December 2023, the work of the European Critical Medicines Alliance was launched in April 2024 and the Belgian Presidency of the Council of the European Union stressed the need for a legislative act to strengthen the production of medicines in the EU. This work should be stepped up in the coming months to ensure drug safety for patients in Europe as soon as possible.

Kacper Olejniczak

HEALTH SECTOR

Europe deepening the Health Union

- In the context of the upcoming demographic challenges across the European Union, **we call for a coherent set of policies at both European and national levels that support the planning and policy-making for active and healthy ageing, while ensuring a good allocation of resources in health care**.
- **We call for action to address the growing disparities between regions**, if only as a result of the accelerated ageing and out-migration of the working-age population in the less economically developed regions of the EU.
- **We also call for action to improve the quality and accessibility of health care**. In Poland, the availability of medical care is low. This is mainly due to an insufficient number of medical personnel, in particular specialist doctors. According to the latest OECD report "Health at a Glance 2023", in Poland there are 3.4 practising physicians per 1,000 inhabitants (with the average for OECD countries being 3.7) and 5.7 practising nurses (with the average for OECD countries being 9.2).
- The problem of accessibility to health care is offset by **pharmacies, which, as facilities that are easily accessible to patients, can become a tool to support health care**. The OECD estimates that in Europe, 58% of citizens have a pharmacy within a five-minute walk, and the pharmacist is the health profession to which the patient has the quickest and most convenient access. Pharmacists are trusted by local communities and their expert role should therefore be expanded to relieve the burden on other health care professionals. They also already have a role in assessing the appropriateness of patients' pharmacotherapy, and they can undoubtedly also play a role in patients' health education and in supporting them in managing certain ailments. **We therefore call for the role of pharmacies to be included in EU public health programmes and for support to be given to the development of pharmacy services in Member States**.
- **It is also important to strengthen the role of other health professions, including nurses and midwives**, who can support doctors with their expertise, which can have a significant impact on reducing queues. Actions aimed at supporting the patient with appropriate treatment and monitoring the results of the therapies used are key to relieving the burden on primary care.

Europe looking at digitalisation as an opportunity to develop self-care

- In response to the European Commission's guidelines in the "Europe for the digital age" strategy, Poland, already having a national system of digital solutions, can play an active role in the discussion on digital services in the health sector in the European Union. **We therefore call for the implementation of the European Health Data Space, which will provide an opportunity for an in-depth debate on the role and importance of digital services in promoting individual health**. From monitoring prevention recommendations and motivating healthier lifestyles to effectively managing chronic diseases and providing feedback to healthcare providers, these services can support every stage of healthcare.
- We recommend that efforts are made to **develop and integrate data systems to share information between health professionals**, including pharmacists. Sharing information between professionals will allow for better understanding and support for self-medication, We also call for **the widespread use of modern tools, such as smartphone apps and smartwatches, to support patients in managing their own health, prevention and holistic self-care**.

HEALTH SECTOR

Europe supporting citizens' health education

- Knowledge on how to take care of one's own health should be available to all citizens. **We therefore recommend the implementation of extensive educational programmes** that cover different age groups and stages of life, from primary school to senior age. Healthcare workers should be trained to support and promote self-care as a complement to traditional medical care.
- **The inclusion of self-management of mild ailments in strategic documents for national and European health policy is an important step towards sustainable and comprehensive healthcare**.
- **We believe that it is necessary to develop educational programmes on self-care as an integral part of a national and European health strategy**. Such programmes should provide information on effective methods for self-management of health and promote healthy lifestyles.

Europe autonomous and resilient in terms of drug safety

- The events of recent years, related to the Covid-19 pandemic and the war across our eastern border, have shown how critical drug security is. It has become clear that Europe must become independent of API production in countries in the Far East. Continued production dependence is a threat to the health and safety of European and Polish patients. **We therefore believe that the return of API and finished medicines production to Europe should be a strategic objective of all European institutions**, already expressed in guidance documents such as:
  - Opinion of the European Economic and Social Committee of December 2023
  - Versailles Declaration by the Council of 11 March 2022
  - European Parliament resolution on medicine shortages of 17 September 2020
  - European Commission Pharmaceutical Strategy of 25 November 2020 – and others.
- **The national and European pharmaceutical industry has extensive manufacturing capacity** to produce high quality medicines across Europe. It makes a significant contribution to the European economy by increasing the supply of medicines in a more competitive market, reducing pressure on public and private healthcare budgets, creating new jobs and production and investment opportunities. It provides direct employment for nearly 200,000 skilled workers related to new, high-quality technology and generates more than half a million indirect jobs.
- Access to medicines and a strong and independent pharmaceutical industry are the guarantors of drug safety for the citizens of European countries.
- **We therefore call for the preparation and implementation, as soon as possible, of a dedicated European legislative act containing financial and regulatory incentives to maintain and relocate production of APIs and finished medicines to Europe (API Act)**.

DIGITAL SECTOR

We have high hopes that **the new European Commission will continue the course set by the current cabinet and treat digitalisation, alongside green transformation, as a priority area**. Poland's presidency of the EU has the chance to be the first one in which concrete projects of legal changes, affecting the European digital market, will see the light of day.

In the context of the dynamic development of artificial intelligence and quantum technologies, Europe is faced with the need to increase its relevance in these areas. A priority task is **to develop a coherent and harmonised strategy on artificial intelligence**, taking into account complex economic, social and ethical aspects. In our opinion, the Polish Presidency may provide a key opportunity to initiate actions promoting innovation and creating a favourable environment for the further development of these advanced technologies.

In order to strengthen the competitiveness of Digital Europe, it is necessary to reduce barriers to the single market, harmonise and implement regulations, recognise the different business models of companies, focus on governance and implementation, while promoting an open Europe.

Aleksandra Musielak

Eliza Turkiewicz

Open and strategically resilient Europe

- **We urge that for current and future technology regulation, the important thing is to regulate the risks associated with the technology, not the technology itself. No less important is the consistent enforcement of laws and standards against non-EU companies operating within the EU**. Companies operating in the EU's digital internal market must comply with uniform rules governing the market, including, most importantly, key regulations such as the Digital Markets Act and the Digital Services Act, which aim, among other things, to mitigate systemic risks that global players may create, to protect European consumers and to establish a fair and competitive digital economy.
- **We see the need to strengthen the EU Single Market by introducing a harmonised regulatory approach primarily for sectors that have grown significantly in strength and have been profoundly transformed in recent years as a result of the development of digital tools**, such as the shared mobility sector. During the Presidency, Poland should address the problem of the lack of a harmonised approach to the regulation of emerging technologies, which hinders the development of companies for which European markets are a key field of operation.
- The digital sector will be confronted with the need to implement a number of new obligations under EU legislation in the coming years. **Close cooperation between the European Commission and market surveillance authorities and an open dialogue with those affected by new regulations can positively contribute to a unified approach to the implementation and control of the application of EU rules and increase legal certainty for market participants**. In this context, it is also important to stress the importance of the work carried out by European standardisation organisations to develop harmonised standards and to ensure compliance with EU rules and widely used/recognised global standards, e.g. in the area of cyber security.
- Regulatory uncertainty and the resulting difficulties in scaling investments stand in the way of the development of companies in the European market and, consequently, innovation. In this context, it is worth mentioning in particular the **implementation of the AI Act, which should be carried out in such a way that this regulation supports the emergence of local players rather than hindering their entry into the European market and adding to the existing obstacles to scaling investment in Europe**. These obstacles already include, in addition to the challenges posed by the great diversity of European markets, barriers such as different compliance procedures depending on the requirements in the respective Member State, for example with regard to the processing of personal data, taxation or business registration rules.

DIGITAL SECTOR

Europe creating a strategy for European technology companies

- **We call for the preparation of a European strategy to strengthen the technology sector that will enable European companies to develop and create innovative products and services** that will give European users more choice and often create alternatives that do not exist today. European technolo gy companies, including scale-ups, are a valuable asset for Europe. They deserve support and a proper place in the regulatory debate. In order to facilitate the development of European tech at regional, European and global levels, this debate needs to be directed towards regulatory harmonisation topics that will lower the costs of internationalisation and business scaling in Europe. The Polish presidency of the EU Council will be an excellent opportunity to prepare such a strategy with the active involvement of business in the discussion.

Europe investing in digital infrastructure

- According to the recently published "State of the Digital Decade" report, we need €200 billion to provide full gigabit and 5G coverage across the EU single market. This is particularly important in rural areas. In addition, the future of connectivity is one based on secure, ultra-fast, low-latency 5G mobile and fibre networks, as well as satellite broadband. It is reliable, high-speed networks that will underpin the next wave of digital transformation in Europe. Without the necessary investment, Europe's "digital decade" will fail. **We therefore call for regulatory support for investment in electronic communications, as well as a shift towards the deployment of the latest and most innovative solutions to eliminate the so called "white spaces of the internet".**
- **Europe's digital infrastructure must be improved**. This will require investment in resilient, robust and high-quality digital connectivity. The European Commission has a key role to play here, enforcing tough competition rules and working towards a true single telecoms market across Europe.
- The European Commission has launched a review of the current regulatory framework for telecommunications and for enabling European industry leaders and SMEs to compete internationally. It is highly likely that the process of concretising the scenarios presented in this document for stimulating infrastructure development will take place during the Polish Presidency. **We believe that the basis for the new approach should be a revision of the frequency management policy and the initiation of an in-depth discussion on the principles of covering the costs of network infrastructure and the continued growth of the demand and need for internet connectivity in the EU.**
- **We call for investment and incentives for the adoption of digital technologies by European businesses, by 2030**. The projected baseline trajectory shows that only 66% of businesses will be using the cloud, 34% using big data and 20% using artificial intelligence, which is far from the 75% target set for 2030.

Digitally secure Europe for businesses and citizens

- In an era of increased geopolitical instability, EU Member States **should explore reliable tools to back up** and maintain critical national data and services regardless of disruption (e.g. large-scale cyber attack or other crises). **Data embassies are part of a broader EU policy discussion on data resilience and digital infrastructure continuity in relation to cloud services**.
- We also call for **a free flow of cloud services across Europe and a non-discriminatory approach based on strong transatlantic ties. The conclusion about the importance of cloud services in ensuring cyber security, resilience, continuity of processes comes, among others**, from the report published on 6 October 2023 by the Ministry of Digitalisation and the Intelligence Agency entitled "Analysis of threats to the cybersecurity of diplomatic missions of Poland and other NATO countries in the context of selected hacking attacks".
- In order to effectively mitigate cyber threats, **we recommend promoting a harmonised risk-based regulatory framework, based on international best practices and standards, and streamlining reporting obligations** to make compliance easier for companies.

DIGITAL SECTOR

Europe conducive to digital innovation

- **We call for an environment that encourages, rather than prevents, digital transformation and digital innovation, the development of new technologies such as AI or quantum technologies**. Cooperation with partners sharing European values and respecting European standards should be intensified in order to lower global barriers to digital trade, investment and innovation. Enabling international data flows is important.
- **We call for securing a smart approach to technological autonomy that supports capabilities across the EU, while remaining open to further international cooperation and trade with like-minded partners**, so that Europe can access and secure the economic benefits of further digital transformation. Free trade agreements, the EU-US Trade and Technology Council (TTC) and business engagement, including SMEs and start-ups, should be used. In addition, the removal of barriers in the EU single market, especially for digital goods and services (such as the lack of a single VAT registration system or electronic labelling), will strengthen Europe as an attractive investment destination and support the digital transformation of the European economy, including a significant impact on the development of SMEs and the quality perceived by consumers.
- **We believe that the EU needs a debate on how to provide technology companies operating in Europe with the best conditions to grow, scale capabilities and enter new markets**. Taking up and running a cross-border business is easier if there is a harmonised regulatory environment. Fragmentation creates costs and takes time to adapt to differing requirements, and these resources could otherwise be used for investment. We want the greatest possible harmonisation of EU rules and a workable mechanism to discourage Member States from goldplating or other techniques that create barriers to the development of cross-border activities in national implementations. Harmonisation should ensure that Europe is known as an investment- and innovation-friendly place. Europe must be "business friendly".
- **We call for the removal of regulations adopted at a time when the vectors of power of the global economy were distributed differently, and the continuation of the status-quo may negatively affect the growth opportunities of European companies**. An example is the postage cost regulations, which still provide concessions to countries then considered to be developing countries (such as China), while these countries are now major global players in, for example, the e-commerce sector, still benefiting from advantages granted more than half a century ago. China is now the largest external exporter of goods to the EU since 2005, when it overtook the US. At the same time, the cost of doing business in e-commerce in Europe has been rising over this time and will continue to do so as the market is increasingly regulated and compliance costs consume significant resources.

Europe building the human resource capacity of companies in ICT

- We are calling for **action to address labour and digital skills shortages**. European companies are complaining of IT staff shortages and inability to retain staff due to better salary offers coming from our global competitors. We cannot allow an exodus of the best professionals from Europe. Another aspect negatively affecting the health of staff in companies is the fact that IT professionals are spending more and more time developing solutions to ensure regulatory compliance at the expense of working on innovative solutions to develop digital products and services. Competency development is important not only in terms of business interests, but also in terms of strengthening the EU's ability to develop technological innovation and compete globally.

DIGITAL SECTOR

Europe enforcing new rules on digital platforms: time for an era of enforcement

- The DSA and DMA regulations have already come into force, and in 2025 it will be possible to make the first conclusions about the implementation of the new rules by the largest companies, which need to comply with them sooner. **We do not think it is reasonable that the platform economy needs new regulations quickly. However, we believe that a high priority should be given to the effective enforcement of the new rules**. All EU and local rules on consumer protection, product safety, internal market, environmental protection and market surveillance should be consistently applied to all companies operating in Europe and offering products or services to EU citizens, regardless of their origin. This promotes a level playing field for European businesses to compete and grow.
- **We believe that particular care should be taken to ensure that the behaviour of companies in compliance with EU standards is just as easy to enforce against local entities known to national authorities as it is against those based outside the EU but operating in the European market**. The fact that the concluding legislative cycle has been fraught with regulation of the technology industry, platforms and e-commerce has resulted in inconsistencies and problems of interpretation between different pieces of legislation. **We call for a review of digital legislation with a view to removing the aforementioned problems, making the legal framework for the digital economy more coherent and simpler**.

Europe that protects both the consumer and European companies

- As we anticipate a broad EU initiative, most likely of a legislative nature, on consumer protection on the internet, including the reduction of manipulative techniques, so-called dark patterns, **we call for it to be preceded by an analysis of the impact on the competitiveness of European companies**, so that the proposed solutions are not too burdensome and do not discourage companies from moving in the right direction.

Europe supporting the twin-transformation

- Given the importance of “green ICT” for the decarbonisation of the sector and the role of the ICT sector in the green transition, **action is needed to scale up existing ICT solutions to support decarbonisation of all sectors, including decarbonisation opportunities using artificial intelligence, development of new solutions in line with the Paris Agreement, fostering global cooperation in this area.**
- **In addition, it is necessary to mobilise additional forward-looking investment in new technologies and infrastructure**, and in particular in R&D and synergies between human capital and technology, with projects crucial for pooling EU, national and private resources.

DIGITAL SECTOR

Europe promoting pro-competitive artificial intelligence (AI) policies

- The time has come to promote open competition in the field of artificial intelligence, and to focus on pro-competitive AI policies. In this regard, we advocate for **the proper preparation of the AI regulatory environment (implementation, enforcement, minimising the risk of infringement of fundamental rights, interpretative guidance, dialogue with stakeholders) to take advantage of the opportunities and benefits of trusted technology without creating barriers to innovative development**. It is necessary to ensure a fair and proportionate distribution of rights, obligations and information distribution among the different AI actors in the AI value chain, allowing freedom of contract in this regard. This is also important in the context of copyright law and ensuring the right balance between creating the conditions for the development of AI and ensuring that creators are able to protect their copyrights and monetise them fairly. **It is necessary to secure a proportionate and risk-based approach to the regulation of AI (i.e. to include a more nuanced and risk-oriented categorisation approach depending on the use case in the interpretation of the adopted provisions)**. At the moment, Annex III of the draft regulation on high-risk AI applications still contains too many proposals, e.g. on the creditworthiness assessment of consumer loans (for small amounts), i.e. of a different type (scale and level of risk) than for bank mortgages.
- It is widely accepted that open source software is safer and more secure because more people can analyse it to identify potential problems, and then share and promote solutions that can be used to strengthen AI systems. Furthermore, open source democratises access to AI tools, and this helps to level the playing field and foster innovation for people and businesses, translating into the wider economy. **We believe that the latest developments in AI should be published and made available to the community to learn from and build on. We recommend initiating collaboration among a wide range of stakeholders: from public administration, researchers and the wider academy, to the private sector**, both in terms of local innovative companies and international technology companies sharing their products and discoveries, giving others the tools to grow.
- **We call for efforts to ensure that EU citizens are able to use AI solutions responsibly and safely**. However, these efforts should not hinder innovation, but should instead be well thought out and designed to strengthen business innovation and Europe's competitiveness in the global market.

Europe building quantum ecosystems

- The quantum era will be as transformative as it is disruptive, leading to breakthroughs in strategic EU industries such as healthcare, finance and logistics on the one hand, and creating new cryptographic challenges on the other. **We therefore recommend that long-term resilience is created now by transferring to quantum-safe for critical infrastructure, building quantum ecosystems across the value chain**, including funding quantum computing and quantum security research, promoting early-stage experimentation for industrial applications and deployment, as well as encouraging private sector investment in the EU. **International, multi-stakeholder collaborative framework is also needed to mitigate the risks associated with quantum computing and ensure that its benefits are widely distributed**.

SOCIAL POLICY

Robert Lisicki

Nadia Kurtieva

Sławomir Szymczak

Europe of talents

- Employers across the EU and in all sectors are experiencing labour and skills shortages. In order to address labour shortages, it is crucial to further increase the labour market participation of the EU population. The perspective of the Polish conditions and experiences in this respect indicates the necessity of activating in particular four main groups of population: people aged 50+, women, people with disabilities and people living in areas distant from urban centres. **Therefore, we believe that a key priority should be to better adapt education and training to the realities of the labour market**.
- Particular attention should be paid to the too slow pace of EU and Member States' efforts to achieve the EU target of at least 60% of all adults participating in training by 2030. **One overarching objective should be to support the improvement of digital competences and qualifications at all levels, mainly through more flexible forms of learning and skills validation. We call for more extensive measures to strengthen:**
  - **flexible forms of non-formal education**, including learning by doing, including in the workplace
  - **standardisation of digital micro-credentials**
  - **the use of modern technology in education programmes** to prepare future employees to effectively use 4.0 tools in business practice.
- **In addition, we consider it necessary to economically activate people aged 50+, women, people with disabilities and those living in areas distant from urban centres**. This is important from an economic perspective: unfavourable demographic changes mean that the resources on the local labour market are less and less in line with current demand (by 2025, the Polish economy will lack over 1.5 million people). Meanwhile, the employment rate for people with disabilities and among those in the 55-64 age group has remained low for years. Women still face barriers to career development due to family responsibilities and long absences from work related to motherhood. For example, in Poland, 30% of mothers of children aged 1-9 do not work, women make up the majority of inactive people and are 10 times more likely than men to cite family responsibilities as a reason for not working.
- Labour shortages are a serious barrier to business growth. Thoughtful management of labour migration is becoming a necessity in conditions of a widening supply gap and worsening demographics. **We recommend the preparation of effective and transparent procedures to enable the effective and rapid recruitment of skilled workers from abroad**. For years, foreigners have been filling staffing gaps in sectors of key importance to the Polish economy: ICT, construction, logistics, transport, industry, among others.

SOCIAL POLICY

Europe strengthening social dialogue

- The importance of the social partners and a well-functioning social dialogue was highlighted during the Covid-19 pandemic, and the social partners played a significant role in shaping and implementing the labour market and workplace response to the pandemic. The European Commission is initiating a number of activities in this regard, but we believe it is worth **considering an analysis of what has been done so far and, based on this, funding social dialogue from European funds**.

Worker- and business-friendly Europe

- Promoting proper working conditions can help to address labour shortages in certain sectors or professions. Existing EU legislation in the area of employment conditions already guarantees very high standards of work performance. Green and digital transformation will contribute to a less burdensome workplace and more ergonomic work organisation.
- **We believe that the key role should now be to support and encourage companies to adapt their work organisation to the needs of both the company and its employees**. Taking into account the numerous pieces of EU legislation adopted in recent years, or announcing new legislative initiatives in the area of employment conditions, the European Commission is imposing new administrative, bureaucratic or cost burdens on employers, which may hinder the development and creation of businesses, in particular small and medium-sized ones.

Europe strengthening the single market in the context of the posting of workers

- **One of the cornerstones of the single market is the freedom to provide services together with the posting of workers**. The freedom to provide services entails the elimination of discrimination on the grounds of nationality and the adoption of measures to facilitate its exercise, including the harmonisation of national access rules. Unfortunately, formal requirements introduced by some Member States, notification obligations, obstacles related to the posting of third-country nationals, lack of access to up-to-date and transparent working conditions still hinder the temporary posting of workers from Poland. We call for greater involvement of the EU institutions in order to harmonise the formal requirements and to allow access to up-to-date information, which will support intra-EU mobility of workers under the freedom to provide services (posting of workers).

Europe of equality

- The EU has made significant progress in terms of equality, particularly between women and men, but there are still certain groups in the labour market who are disadvantaged. **Equality in the labour market brings both social and economic benefits, enabling full use of professional potential and activating the economically inactive**. The creation of an open and inclusive labour market is not possible without equal opportunities in employment.
- There is a need for social change, breaking down stereotypes and supporting businesses to implement solutions that promote equality and inclusivity in the workplace. Involving all private and public sector stakeholders, both at EU and national level, in creating a fair labour market is key.

FINANCIAL SECTOR AND CORPORATE LAW

Adrian Zwoliński

Patrycja Hanasiuk

Europe of deepening capital markets

The European Union plays an important role from a financing, trade or investment perspective. The Capital Markets Union project, which has been discussed for years, should be continued. One has to agree at least in part with the voices[1] that it should take into account, the multiplicity of markets, the realisation of the free movement of capital and address, among other things, the harmonisation of rules, some of the inefficient formalisms or barriers for SMEs. The open banking project, while increasing competitiveness, should be monitored due to the complexity of the approach. The adopted regulations should be subject to constant analysis and observation as to possible side effects, impediments and developments.

We are in favour of Poland's aspiration to adopt the euro because of the positive assessment of the final results of such a solution. The common European currency may have a positive impact on Poland's international competitiveness and, consequently, economic development.

We appeal for:

- Development of the Capital Markets Union.
- Moving towards Poland's adoption of the euro currency.
- Ongoing analysis of the functioning of open banking regulation and addressing the problems and opportunities associated with it.
- Support for the EU's proposed Multilateral Investment Tribunal so that it retains the elements of investment arbitration that promote speed of proceedings and includes a new compromise between transparency of proceedings and commercial confidentiality.

1 For example: P. Tychmanowicz, "Union of capital markets needed, but also dangerous", 13.03.2023, Rzeczpospolita, https://www.rp.pl/finanse/art38110911uniarynkowkapitalowychpotrzebnaaleigrozna

POLISH CONFEDERATION
LEWIATAN

Polish Confederation Lewiatan, since May 2024, has been carrying out a project on **“Social dialogue: regional, national and EU conditions”**. The project is funded by the FERS 2021-2027 programme (European Funds).

Within the project, we will run research and analysis on the state of social dialogue in Poland and in the European Union.

We will strengthen our activity at European level, including through:

- workshops and study visits of our representatives to EU institutions,
- active participation in the Polish Presidency of the EU Council,
- representation of the priorities of Polish employers in the EU institutions.

We have also envisaged support for regional organisations affiliated to Polish Confederation Lewiatan, training for representatives of the social partners and a digital audit of the Confederation, which will be the first step towards strengthening our digital competences.

We will also build an online platform where we will post the research results of the analysis, expertise and important information on social dialogue developed in the project.

The project will result in the strengthening of the Confederation’s expert and institutional capacities in social dialogue and the enhancement of the competences of our representatives participating in social dialogue at European, national and regional levels.

POLISH CONFEDERATION
LEWIATAN

25 YEARS

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