REPUBLIKOVÁ ÚNIA
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THE RUZ ROADMAP TO 2030: STRATEGIC PRIORITIES FOR THE EUROPEAN UNION

A FUNDAMENTAL CORRECTION OF ECONOMIC POLICY IN THE SPIRIT OF GLOBAL PRAGMATISM AND ECONOMIC FREEDOM FOR ENTREPRENEURS

REPUBLIKOVÁ ÚNIA ZAMESTNÁVATEĽOV

SLOVAK EMPLOYERS' FEDERATION IS A MEMBER OF:

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FOREWORD

The significant growth of the world's economies over recent decades, particularly in Asia, is increasing competition on global markets and threatening Europe's position in the world. Europe's share of global GDP has been continuously declining, falling from 25% in 1990 to 14% today.

It is therefore essential to have a strategy aimed at securing Europe's position in the world and its competitiveness in international economic relations. A strategy whose implementation will make Europe a respected partner in international relations and a place where business thrives and people are confident, happy and optimistic. We define entrepreneurship in the spirit of the best Central European Schumpeterian traditions: as the translation of ideas into economic reality, the assumption of risk, and the pursuit of change even against the resistance of the system. It is an act through which an individual disrupts economic routine by introducing innovation. The strategy must be the best concrete and realistic plan that explains the fundamental link between objectives and the means available. It begins with a precise assessment of what is desired and which instruments are available to us, or which we can realistically create, in order to achieve the desired outcome. The strategy must evaluate, rank and prioritise.

The Slovak Employers' Federation (RUZ) views the current state and challenges of the European Union (EU) as follows:

Sovereignty is not a relic of the past
The nation state is not some kind of "historical mistake", but the fundamental framework of democracy. Only where there is a shared language, culture, historical experience and political accountability can a citizen genuinely influence power. Centralising decision-making weakens this link and turns the citizen into a passive observer.

Democracy cannot be distant
Decisions that fundamentally affect people's lives must not be taken by institutions that no one has directly elected and that bear no political consequences for their failures. The farther removed decision-making is from the people it affects, the less accountable — and ultimately, the less democratic — it becomes.

Diversity demands flexibility, not one-size-fits-all solutions
Europe is a mosaic. What makes sense for one country can be harmful for another. While developing the internal Single Market does require a certain degree of harmonisation, questions of economic policy, migration, social affairs, or the composition of the electricity generation mix require local solutions that respect the specific circumstances of the Member State, not universal directives.

Bureaucracy stifles initiative
Regulation has become an end in itself. Instead of supporting entrepreneurship, innovation and growth, the EU is creating an environment in which more time is spent filling out forms than creating value. Small and medium-sized enterprises (hereinafter "SMEs") pay the highest price for a system that was meant to help them.

Cooperation yes, centralism no
We want a Europe of cooperating states, not a supranational government. A Europe where decisions are taken as close as possible to citizens. A Europe that respects the differences and specific circumstances of its Member States.

Reform, or lose trust
If the EU does not return to the principles of subsidiarity, accountability and respect for sovereignty, it will continue to lose legitimacy. Trust cannot be mandated — it has to be earned.

The future of Europe belongs to those who respect the freedom of citizens and the freedom of enterprise.

INTRODUCTION

Several analyses and reports — including the reports by Mario Draghi[1] and Enrico Letta[2] — point to the EU's declining competitiveness. This trend has a direct impact on Slovakia as an open, export-oriented economy.

RUZ views the EU, on the one hand, as the right choice for Slovakia, while at the same time recognising that there is room for improvement within the EU.

This document sets out the priority themes that RUZ intends to advocate with the aim of increasing the competitiveness of the Slovak Republic and the EU. It contains proposals on how to halt and reverse the decline in competitiveness and restart healthy, sustainable economic growth in the EU.

Given the dynamically changing global economic and geopolitical environment, RUZ considers it essential that Slovakia not only respond to current challenges but also proactively shape its position within the shared European space.

The document contains a brief description of the EU's current situation, drawing on the reports on the state of the Union referred to above, and then sets out RUZ's recommendations for improving the European business environment and strengthening the EU's competitiveness.

The main areas addressed by this document are:

1. Strengthening European competitiveness
2. Completing and modernising the Single Market
3. Protecting and strengthening trade partnerships
4. Building economic autonomy and resilience
5. A digital and innovation-driven Europe

The guiding principle of this document across all the areas set out above is the approach of "less regulation, and where regulation is unavoidable, better regulation": we favour deregulation and the rigorous enforcement of existing rules over the adoption of new standards, harmonisation only where market fragmentation increases costs for businesses, and subsidiarity wherever national regulation supports innovation and growth.

[1] Draghi, Mario: "The future of European competitiveness." September 2024. <https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961_en>

[2] Letta, Enrico: "Much more than a market". April 2024. <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>

A. DESCRIPTION OF THE CURRENT STATE OF THE EU – KEY PROBLEMS AND CHALLENGES

The key obstacles to European competitiveness are high energy prices and the EU's dependence on energy and industrial raw materials, strong global competition and geopolitical pressures, weak and fragmented capital markets, fragmentation of the Single Market, a high regulatory burden, a slower pace of innovation and digital transformation, and demographic challenges.

High and volatile energy prices

The recent energy crisis revealed that European industry is significantly disadvantaged compared with global competitors. The European Commission estimates that the high energy prices in recent years have already noticeably reduced the EU's potential growth. Almost half of European businesses cite energy costs as the main barrier to investment — around 30% more than in the US. Energy-intensive industries in particular have lost an estimated 10 to 15% of their output since 2021, deepening Europe's dependence on imports. Costs are also rising as a result of ambitious climate targets: decarbonising the four largest energy-intensive sectors (chemicals, basic metals, non-metallic minerals and paper) will require investment of approximately €500 billion by 2040. The transport sector will require a further €100 billion a year from 2031 onward to meet climate targets. The combination of the energy crisis and ambitious climate targets is therefore making the position of European producers on the global market very complicated.

Energy and raw material dependence

Before 2021, Russian pipeline gas accounted for as much as 45% of EU gas imports. This source of affordable energy was, however, effectively lost as a result of the war in Ukraine, requiring extensive financial resources and the accelerated build-out of LNG infrastructure. Similarly, for critical raw materials and semiconductors, the EU is reliant on imports, while its own processing and recycling capacity remains limited, increasing its vulnerability to supply chain disruption.

Global competition and geopolitical pressures

The EU's share of global GDP is gradually declining. The IMF currently (2026) forecasts the EU's share of global GDP at approximately 14%, compared with 14.5% for the US and 20% for China. Between 2000 and 2019, the share of international trade in European GDP grew from 30% to 43%, but this trend has since slowed. Multilateralism is in crisis, and the war in Ukraine, the trade war between the US and China, and instability in Africa are creating new security and economic risks that are worsening the investment environment in Europe.

Weak and fragmented capital markets

Even after decades of building the Single Market, European capital markets remain insufficiently integrated. European SMEs in particular, unlike their US counterparts, rely primarily on bank loans for financing. This persistent pattern limits their ability to grow and innovate. At the same time, European households hold a vast amount of savings, which nonetheless remains held in low-yielding assets. According to the EIB Investment Survey 2023, as many as 61% of firms cited regulation as an obstacle to long-term investment, while 83% of companies identified the complexity and length of administrative processes as a major problem. The absence of simple, accessible investment products is hindering the mobilisation of capital.

The unfinished Single Market and the regulatory burden

Even today, the European Single Market is unable to fully develop its potential. The Draghi Report warns that persistent trade barriers and market fragmentation are costing Europe as much as 10% of GDP. Administrative burden further increases the cost of doing business. As early as 2014, the so-called Stoiber Group estimated the administrative burden at €150 billion a year (1.3% of GDP), while the lack of harmonisation and complex processes add further costs of up to €200 billion a year. This makes the European business environment less favourable than that of the US and holds back new investment.

A slower pace of innovation and digital transformation

European productivity has long lagged behind the US. EU labour productivity, which rose from 22% to 95% of the US level in the period following the Second World War up to 1995, has since fallen back below 80%. Between 2002 and 2023, the GDP gap between the EU and the US widened from around 15% to 30%, with as much as 70% of that gap attributable to lower productivity. Real disposable income per capita in the US has grown at almost twice the rate seen in Europe since 2000. The gap is most pronounced in digital technologies and the diffusion of innovation, where Europe faces an acute risk of falling further behind.

Demographic challenges

Europe is entering a period in which GDP growth is no longer supported by growth in the workforce. The EU's working-age population is projected to shrink by around 2 million people a year through to 2040, and the ratio of workers to pensioners will fall from the current 3:1 to 2:1. At the current rate of productivity growth, this would be sufficient only to keep GDP flat through to 2050, which — combined with high public debt and the investment needs of decarbonisation, digitalisation and defence — will put pressure on the sustainability of public finances.

B. PROPOSED MEASURES

1. Strengthening European Competitiveness

European industry faces growing global competition, geopolitical shocks, and the challenges of the green and digital transitions. The EU needs an ambitious yet realistic strategy that strengthens its industrial base, supports innovation, and reduces economic and geopolitical dependence on third countries. This strategy must be built on a predictable, simple regulatory environment, affordable and price-competitive energy, a skilled and well-educated workforce, and stronger links between research and development and industry.

1.1 Legislative Detox

Complex and constantly changing regulation is one of the main barriers to competitiveness. The EU must fundamentally deregulate in order to reduce administrative burden, make the legislative framework clearer, and digitalise processes. The aim is to create an environment that supports growth, innovation, and business resilience.

Recommendations:

- Reducing the regulatory burden: reduce the EU's regulatory and administrative burden by 20% by 2035, introduce a "one-in, two-out" rule, systematically review existing regulation from the perspective of administrative burden, and prevent the creation of new national barriers.
- Improving the quality of rule-making: introduce a mandatory competitiveness impact assessment for new legislative proposals, establish a business consultation platform attached to the Council of the EU, and introduce regulatory moratoria or longer transitional periods for sectors facing the greatest regulatory burden.
- Digitalising administration: electronic permits and processes (eIDAS 2.0), simplification of digital legislation (GDPR, DSA, AI Act, DMA), and the use of regulatory sandboxes to test deregulation.
- Proportionality in ESG: introduce a deferral of mandatory ESG reporting for SMEs and flexibility for larger companies, with an emphasis on the proportionality of the data to be provided.

1.2 Clean Industrial Deal

Given its strong industrial base, the EU needs a strategy that better balances climate ambitions with support for industry and the EU-based manufacturing of green/clean technologies. Priority should be given to the integration of strategic projects, investment in the processing of mineral raw materials and to the manufacturing of green technologies, and support for projects related to the Critical Raw Materials Act (CRMA).

Recommendations:

- A balanced approach to climate policy and targets: align climate targets with the revival and development of European industry, support technology-neutral policies, and limit excessive regulation in industrial policy.
- An integrated European industrial strategy: introduce a common European framework, coordinated in a manner similar to the European Semester, and support the development of supply chains, particularly for SMEs and especially in the areas of battery, chip, and component manufacturing.

- Centres of excellence and strategic projects: support the establishment of European centres of excellence for green technologies (hydrogen, the circular economy) and speed up the approval of cross-border projects through more flexible state aid rules.

1.3 Energy and Climate Targets — A Return to Realism and Pragmatism

The transition to a carbon-neutral industry should be designed at EU level in a realistic and gradual manner. The EU must pursue industrial decarbonisation in a technologically feasible and economically sustainable manner while preserving the competitiveness of European Industry vis-à-vis producers in third countries. The EU should also fully diversify its energy base and strengthen price stability and the availability of energy for industrial consumers.

Recommendations:

- Realistic targets: review the EU's 2040 and 2050 climate targets in light of current technological progress, economic feasibility, and other conditions; carry out a review of the targets every five years based on available technologies and global competition.
- Review, and where necessary limit, measures with disproportionate costs and disputed practical benefits: one example is the ban on SF_6 in electrical power equipment, particularly where technical alternatives are not available at the required scale, quality, and time, creating risks for investment, operational safety, and the reliability of electricity distribution.
- A level playing field for energy sources: adapt renewable energy development targets to reflect national differences in technical and economic capacity, as well as in the energy mix and investment capacity; recognise nuclear energy and renewables in legislation as equivalent carbon-free sources; and allow national-level incentives for nuclear reactors, SMRs, and renewable sources.
- Energy security: strengthen energy security through the gradual diversification of suppliers (Norway, the US, North Africa), and ensure sustainable, affordable, and reliable supplies of electricity and heat.
- Domestic generation and energy infrastructure: increase European energy generation capacity by stimulating investment in renewables and storage; introduce accelerated permitting for new projects; and prioritise the modernisation of electricity transmission and distribution grids, including cross-border energy infrastructure, in order to facilitate cross-border energy flows.
- Flexibility in the ETS and CBAM: review the EU ETS system (and, by extension, the CBAM) and make EU's emissions targets more realistic in light of industry's technical and economic capacity and households' social needs. Reassess the planned trajectory for the phase-out of free allocation for sectors exposed to the risk of carbon leakage, maintaining the current level of free allocation through 2030. Maintain the mechanism for compensation for indirect EU ETS costs reflected in electricity prices until a fully decarbonised electricity system is achieved.

1.4 Affordable Energy for Industry

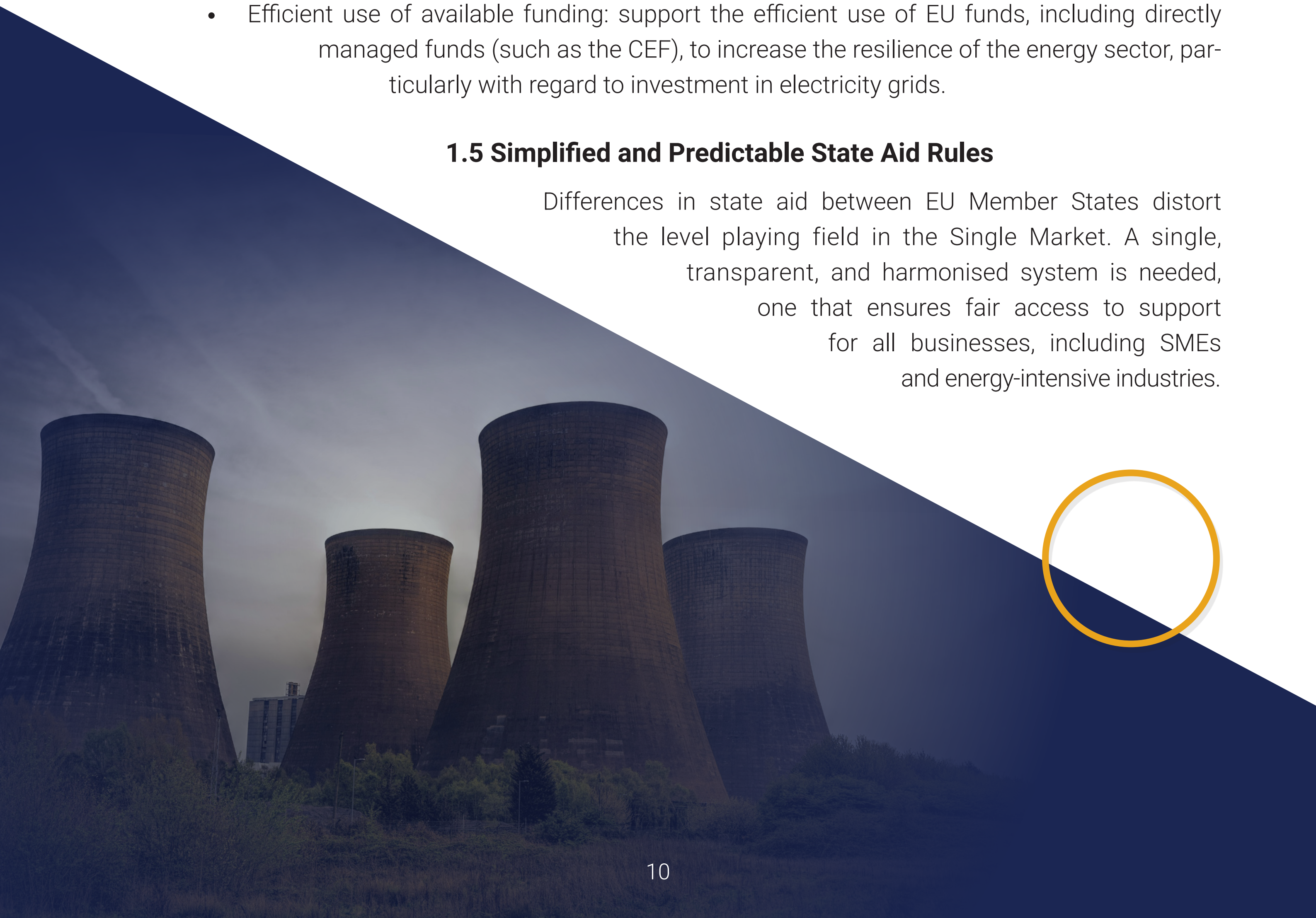
Given the rising demand for electricity in decarbonised industry, transport, and also in data management, the EU should promote the modernisation of energy infrastructure and the development of renewable and nuclear sources, as well as faster permitting processes for new energy sources and infrastructure.

Recommendations:

- Electricity market design: examine how to effectively ensure that the lower generation costs of renewable and low-carbon electricity are passed on to consumers — including energy-intensive industries and households — by improving the functioning and application of existing market rules, with these steps underpinned by thorough impact assessments.
- Long-term contracts and infrastructure: establish a European platform for PPAs between industrial consumers and green energy producers; prioritise industrial needs in grid modernisation and permitting processes.
- New energy sources, including support for flexibility: support the construction of small modular reactors (SMRs) in countries with a nuclear tradition, and fund community energy solutions for industrial parks, including with support from European funds. Support the development of flexibility resources in order to ensure the long-term, reliable operation of the Slovak electricity system.
- Industrial electricity prices at national level: provide electricity price compensations on the basis of the state aid framework under the Clean Industrial Deal State Aid Framework (CISAF) concerning temporary relief on wholesale electricity prices, including the allocation of sufficient financial resources for this mechanism.
- Efficient use of available funding: support the efficient use of EU funds, including directly managed funds (such as the CEF), to increase the resilience of the energy sector, particularly with regard to investment in electricity grids.

1.5 Simplified and Predictable State Aid Rules

Differences in state aid between EU Member States distort the level playing field in the Single Market. A single, transparent, and harmonised system is needed, one that ensures fair access to support for all businesses, including SMEs and energy-intensive industries.



Recommendations:

- Greater transparency and comparability: expand the EU State Aid Scoreboard with more detailed data by sector and company size; use these results when assessing both EU economic policy and national state aid policies.
- Faster approvals: introduce digital templates and a single process for all Member States in order to simplify access to state aid and remove administrative barriers.
- Targeted support for key sectors: ensure that SMEs and energy-intensive industries have priority access to state aid through simpler approval channels.

1.6 Human Capital, Innovation and the Labour Market of the Future

Europe's competitiveness depends on its ability to bridge the gap between research and industry, develop modern skills, and set up the labour market and its legal regulation in a way that is flexible and attracts talent, with a balanced emphasis on employees' rights and employers' needs. The EU should take further steps to reform education in line with current and future labour market needs, strengthen support for applied research, and, at the same time, facilitate employers' access to a skilled workforce.

Recommendations:

- Linking research and industry: strengthen the funding of applied research (Horizon Europe, Digital Europe, the ECF, etc.) from European sources and prioritise support for high-value-added investment; establish single points of contact to support innovation projects; simplify the transfer of results from universities into practice; and facilitate the mobility of researchers between the private and academic sectors.
- Skills and education: align education systems with labour market needs; create a database of industry innovation needs; support applied research and establish industry-oriented innovation clusters in line with regional needs; create a database of skills shortages by sector and region; and support reskilling and SME engagement in AI and digital technology programmes.
- Mobility and talent: develop dual education system and apprenticeships, embrace corporate academies, and strengthen university-business partnerships; align cross-border qualification standards across all Member States; simplify and digitalise the recognition of qualifications of workers from third countries, and develop programmes to attract skilled talent (research visas, start-up residence permits).
- A more flexible labour market: strengthen predictive workforce planning in view of the EU's declining population and labour shortages; review European working time and leave regulations; and retain the setting of minimum wages fully within the competence of Member States.

1.7 Tax and Financial Environment

Stable tax systems, transparent tax rates, and functioning capital markets are the foundation of investment, economic growth, and competitiveness. The EU must respect national competences in the area of taxation while removing barriers to the free movement of capital. In the field of taxation, RUZ regards subsidiarity as essential — tax competition between Member States is part of European competitiveness and must remain a national competence.

Recommendations:

- Tax policy: leave the regulation of tax rates (with the exception of import duties) fully within national competence, reconsider VAT harmonisation, and support tax competition between Member States.
- Capital markets: simplify the opening of bank accounts and the ownership of real estate for business entities across the EU; facilitate the buying and selling of shares on European stock exchanges and companies' access to public listings.

2. Completing and Modernising the Single Market

The Single Market is one of EU's greatest achievements, yet its potential remains underexploited. Persistent barriers and excessive regulation are holding back its development. Creating a dynamic environment requires simplifying rules, cutting red tape, and supporting infrastructure so that the benefits of the market are available to all businesses.

2.1 Removing Persistent Barriers

The EU must firmly enforce the full application of the EU's four freedoms, particularly in the field of services. Internal barriers hinder the free movement of goods, capital, and people, reducing the efficiency of the market.

Recommendations:

- Full application of the four freedoms: enforce the free movement of goods, services, capital, and people; ensure equal access to the Single Market for all Member States; and enable the participation of non-member countries under proven models.
- Uniform and fair rules of mutual recognition in the Single Market.
- Resilient supply chains: monitor and diversify critical supply chains, supported by a new European analytical unit.

2.2 Fair Competition

European businesses face market distortions caused by foreign subsidies, dumping, and the uneven application of Single Market rules across the EU. Preserving competitiveness requires faster and more consistent application of rules and robust protection against unfair competition.

Recommendations:

- Protection against unfair competition: prevent distortions of competition caused by subsidies from third countries and unfair foreign trade practices; strengthen EU oversight of the impact of these practices on the domestic market.
- Faster and more effective instruments: support a review of anti-dumping rules and processes in order to speed up decision-making and enable timely assessment of current market conditions.
- Uniform application across the EU: eliminate differences between Member States in competition rules and align them with the EU's strategic objectives.

2.3 Modern Infrastructure and Connectivity

Modern, interconnected infrastructure underpins the functioning of the Single Market. A priority is the development of TEN-T and TEN-E corridors for environmentally friendly freight transport. Digital infrastructure is equally important, particularly gigabit connectivity in industrial zones and joint cross-border planning of transport, energy, and digital projects. Funding through the CEF Digital instrument will help accelerate technological development in less developed regions as well. Infrastructure must be strategically coordinated, interoperable, and resilient.

Recommendations:

- Investment and connectivity: invest in cross-border rail, energy, and digital infrastructure and promote their joint planning. Prioritise Slovakia's integration into the EU's key corridors (TEN-T, TEN-E) and establish high-speed TEN-T corridors for rail freight and environmentally friendly transport, with a gradual shift away from road transport.
- Strengthen CEF Digital funding for gigabit connectivity in industrial zones, and ensure coherence between energy, transport, and digital networks.

3. Protecting and Strengthening Trade Partnerships

In a changing geopolitical environment, the EU must strengthen its trade partnerships while also protecting the Single Market from unfair competition. Trade agreements should open up new markets, support European industry, and contribute to economic security. The involvement of Member States in the reconstruction of Ukraine also plays an important role and should form part of a shared vision of sustainable growth and solidarity.

3.1 Expanding the EU's Network of Trade Agreements

The EU should actively support the finalisation of trade agreements with partners such as Mercosur, India, and ASEAN. It is important to secure favourable conditions for European exporters. Trade policy must also include the defence of the strategic interests of European industrial sectors.

Recommendations:

- Trade agreements: finalise and ratify trade agreements with Mercosur, India, and ASEAN; ensure dedicated SME chapters are included, as well as specific benefits for industrial exporters. Keep the approval process for trade agreements simple, without additional assessment tools, so that ratification is not delayed.
- Geopolitical strategy: prepare a unified EU geopolitical, defence, and trade strategy toward both partners and competitors.

3.2 Public Support and Financial Instruments for the Reconstruction of Ukraine

The EU must ensure the active participation of European companies in the post-war reconstruction of Ukraine, including support through guarantees, loans, and investment insurance. A strategic objective for Member States must also be the involvement of European companies in reconstruction projects. Better infrastructure links between Ukraine and the EU will, at the same time, facilitate trade and strengthen economic integration.

Recommendations:

- Participation of European and Slovak companies: ensure that Slovak companies can take part in post-war reconstruction and establish a register of vetted European companies ready for projects.
- Financial instruments: provide EU guarantees, loans, and investment insurance; expand export insurance and state guarantees for projects in Ukraine.
- Coordination and infrastructure: establish coordination centres for the reconstruction of Ukraine in EU's border regions; support infrastructure development in Member States neighbouring Ukraine; and promote partnerships and cooperation in the fields of energy and raw materials.

4. Building Economic Autonomy and Resilience

The EU's dependence on external supplies of raw materials, energy, and technology poses a strategic risk. Building resilience also requires the development of domestic extraction capacity, an efficient circular economy, sustainable use of resources, and innovation in materials. Adaptation to climate change is also key, particularly the strategic management of water.

4.1 Dependence on Critical Raw Materials

Priority should be given to diversifying sources, developing domestic capacity, and supporting recycling. This includes the processing and reuse of batteries and electronic waste, research into alternative raw materials, and exploiting the potential of existing deposits. The EU should also actively support the emergence of markets for secondary raw materials. Measures must include fiscal incentives and grant schemes to support the circular economy but must be designed so as not to create a disproportionate administrative burden.

Recommendations:

- Diversification and mining: diversify raw material supplies; develop domestic extraction, recycling, and joint EU stockpiles; implement a "European mines" project, including the use of Slovak resources.
- Recycling and secondary raw materials: develop markets for secondary raw materials and create a European platform for trade and certification.
- Research and innovation: support research into alternative sources and material substitutions; develop innovation partnerships in recycling technologies through Horizon Europe and the ECF; and stimulate circular business models.

4.2 Strategic Management of Water and Resources

Investment in drought resilience and increased capacity for water reuse are key to the future competitiveness of industry. The EU must support broader industrial adaptation strategies to climate change, as well as the modernisation of water management and the efficient use of natural resources.

Recommendations:

- Investment and funding: invest in water reuse and recycling and strengthen drought resilience.
- Support for industry: support sectors in adapting to resource constraints caused by climate change, including the deployment of smart water management solutions.

5. A Digital and Innovation-Driven Europe

The future of European industry depends on innovation and digitalisation. AI, data spaces, and advanced technologies can significantly increase efficiency and competitiveness if they are made accessible to all businesses in the EU, particularly SMEs. The key lies in secure data sharing, reliable digital infrastructure, and the protection of intellectual property.

5.1 The Digital Single Market

Developing the Digital Single Market is necessary to strengthen competitiveness, but digitalisation must be inclusive and accessible to all businesses, including SMEs. Creating common digital standards and tools, such as digital identification, will reduce administrative burden and increase transparency. It is important to strengthen digital infrastructure and services in less developed regions.

Recommendations:

- Common rules: harmonise legislation on digital services, data, and AI; remove unnecessary differences between national systems; and introduce a common digital identity for businesses across the EU.
- Regional accessibility: create a digital map of SME connectivity and access in less developed regions.

5.2 Digital Transformation of SMEs and AI Adoption

The EU must expand the network of European Digital Innovation Hubs and support greater business involvement in digitalisation projects. The adoption of AI, digital twins, and smart systems should be supported through grants and calls for proposals, while strengthening cooperation between businesses and research institutions.

Recommendations:

- New technologies: support the deployment of AI, digital twins, and smart systems. Expand digitalisation hubs and provide open-source AI tools for businesses.
- Training and pilots: introduce training vouchers for SMEs and support pilot projects in small-scale manufacturing, logistics, and the automotive sector.
- Flexible regulation: ensure an adaptive application of the AI Act through cooperation between regulators, industry, and academia.

5.3 A European Industrial Data Space

The EU should support the creation of secure frameworks for data sharing between businesses. It is necessary to prevent the fragmentation of the data market, which threatens competitiveness. The rules must be simple, clear, and easy for SMEs to implement.

Recommendations:

- Data frameworks: create secure frameworks for cross-border data sharing across sectors and prevent market fragmentation arising from overly complex regulation.
- Strategy and infrastructure: rapidly implement the "European Data Union Strategy" and invest in cybersecurity; strengthen links with the EU's Joint Cyber Unit.
- Tools for SMEs: introduce data trusts, support API standardisation, and develop model data-sharing agreements.

5.4 Strengthening Intellectual Property Protection and Technology Transfer

Protecting the intellectual property rights of European companies is standard practice. However, the EU must also promote tools for transferring innovation from the research environment into practical application. The commercialisation of public research should be a priority of EU innovation policy.

Recommendations:

- Research transfer and rights registration: make it easier to commercialise the results of public research through start-ups and established companies; introduce a simplified intellectual property protection regime for SMEs.
- Licensing: introduce fiscal incentives for the licensing of patents and know-how between companies within the EU.

5.5 Protection of Personal Physiological and Health Data Generated by Smart IoT

Recommendations:

- Research and innovation: support the development of health and sports technologies, wearable devices, and AI analytics.
- Secure data processing: apply the principles of privacy-by-design and security-by-design; invest in edge/cloud infrastructure for biometric data.
- Certification and regulation: develop certification schemes for wearable technologies and apply balanced regulation of humanoid robots, taking into account innovation, ethics, and safety.

CONCLUSION

The EU stands on the threshold of a period of fundamental economic and technological transformation. Competitiveness, energy security, modern infrastructure, a digital economy, and an adequate supply of skilled, educated workers are becoming the key prerequisites for sustainable growth.

To remain globally competitive, Europe must address the fragmentation of the Single Market, reduce the regulatory burden, support innovation, and create predictable, high-quality conditions for doing business.

The recommendations of the Slovak Employers' Federation (RUZ) set out in this document provide a coherent framework enabling the EU to reduce costs for European businesses, mobilise investment, develop strategic sectors, and ensure a fair-trading environment. At the same time, they would enable Slovakia to make better use of its industrial capacity and its potential in the energy sector, research, digitalisation, and the human capital.

We are convinced that the consistent implementation of these recommendations will strengthen the long-term competitiveness of both Slovak and European industry, increase the resilience of the economy, and create the conditions for the EU's stability, growth, and technological leadership.

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