

BUSINESSEUROPE REFORM BAROMETER QUESTIONNAIRE 2023

ASSESSMENT BY EACH MEMBER FEDERATION

Austria



1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Ensure the adequacy and fiscal sustainability of the long-term care system. Simplify and rationalise fiscal relations and responsibilities across layers of government and align financing and spending responsibilities. Improve the tax mix to support inclusive and sustainable growth.	Important	Mixed	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Important	Mixed	
CSR 3	Boost labour market participation of women, including by enhancing quality childcare services, and improve labour market outcomes for disadvantaged groups.	Important	Satisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels, and diversify imports of fossil fuels, by accelerating the deployment of renewable energy and of the necessary infrastructure, notably by simplifying planning and further streamlining permitting procedures, and enhancing energy efficiency, in particular in the industry and building sectors, and diversifying energy supplies as well as increasing flexibility and reverse flow capacity of interconnections.	---	---	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Satisfactory
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Labour market mismatch and labour mobility		yes
Priority 2	Making work-pay : interplay of tax and benefit system		no
Priority 3	Pension and health care reforms		no
Priority 4	Consolidation of public expenditures		yes
Priority 5	Quality of fiscal institutions and budgetary framework		yes

Belgium

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

	Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
<p>CSR 1</p> <p>In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms. Prioritise reforms to improve the fiscal sustainability of long-term care, including by promoting a cost efficient use of the different care settings. Reform the taxation and benefit systems to reduce disincentives to work by shifting the tax burden away from labour and by simplifying the tax and benefit system. Reduce tax expenditures and make the tax system more investment-neutral.</p>	<p>Extremely important</p>	<p>Unsatisfactory</p>	<p>While the Belgian government was able to enjoy a reduction in the debt/GDP ratio in 2022 due to stronger than expected economic growth, the situation is set to deteriorate in the coming years, to the point where Belgium will have one of the worst current account deficits in Europe and further increases in the debt ratio. Fiscal policy has not been reformed to improve the sustainability of our budget. Regarding support policies concerning the energy crisis: in both 2022 and 2023, measures to reduce the energy bill burden on households were, aside from raising the social tariff, not targeted and costly. Meanwhile, support for the private sector was of a much smaller scale and only of a temporary nature. Finally, no reforms were made to reduce disincentives to work.</p>

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Helpful (but not a priority)	Satisfactory	
CSR 3	Address labour shortages and skills mismatches, notably by improving the performance and inclusiveness of the education and training system, enhancing the quality and labour market relevance of the vocational education and training and developing more flexible and attractive career paths and training for teachers.	Extremely important	Unsatisfactory	While having made progress, the activity rate has increased to a record high of 72%, Belgium still finds itself lagging its European peers. Furthermore, despite a record high vacancy rate of 4,9%, there is a growing group of inactive people who are not looking for employment. The "job deal" the government implemented was too meagre and provided little progress in activation policies.
CSR 4	Reduce overall reliance on fossil fuels by stepping up energy efficiency improvements and the reduction of fossil fuel use in buildings, promoting the use and supply of public transport and accelerating the deployment of renewable energies and related grid infrastructure by further streamlining the permitting procedures including by reducing the length of appeal procedures and adopting framework conditions to boost investments in solar energy installations	Important	Unsatisfactory	By the end of 2022, the Belgian government reached an agreement with Engie, who operates our nuclear stock, to prolong the lifespan of 2 nuclear reactors, which were set to close.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	No progress
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Nothing in particular, except for an acceleration in the investments in renewable energy (wind parks). With the current government we mainly focus on keeping what's good (good fiscal climate for R&D and Innovation, keep some nuclear capacity open, keep competitiveness law intact, etc.)

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Wage bargaining and wage-setting policies Competition Policy Framework	Supply chain disruptions and input price increases following the reopening of the economy post-COVID were followed by a significant increase in energy prices due to geopolitical elements, which led to inflation rates not seen in decades. Given our automatic wage indexation system, we have experienced large automatic labour cost increases that will affect the competitiveness of companies and limit the room for maneuver of social partners in their negotiations. The situation shows the lack of flexibility of the current system and the problems it creates. Our recommendation is to quickly reform the automatic indexation mechanism to restore the competitiveness of companies.	no
Priority 2	Sector specific regulation (telecom, energy)	The sharp increase in energy prices has shown the weakness of the energy strategy. While the lifespan of two nuclear power plants has been lengthened, more investments into a diversified and shock-resistant energy mix are necessary.	yes
Priority 3	Active labour market policies Labour market mismatch and labour mobility	While progress in terms of the activity rate has been made, we still trail most of Europe by quite a margin. Given the large differences in labour market performance between our regions, labour mobility is clearly an issue as well. We recommend further reforms in order to improve our activation policies and leverage the large labour reserve in our country. This would also improve the long-term prospects of our budget (see next priority).	yes

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 4	Pension and health care reforms Consolidation of public expenditures Public sector efficiency Public investment	The various support measures (mainly for households) during COVID and now during the energy crisis, have put huge pressure on public finances. The deficit is projected to stabilize at -4,9%, assuming no policy changes, while debt levels will increase. Structural trends, such as ageing and the ecological transition, will only continue to exert pressure on the budget. More efficiency in the public sector is necessary, as are reforms to deal with these structural issues.	no
Priority 5	---	---	---

Bulgaria

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Mixed	As of the beginning of the August 2022 Bulgaria has a caretaker government, which prevents the possibility to implement specific policies beyond fiscal stability. The views and opinions of the social partners on the RRF implementation are summarized in the Resolution by the Bulgarian ESC. The BIA's Vice President Ms Mincheva was a rapporteur on the resolution - https://esc.bg/wp-content/uploads/2023/01/ESC_4_028_2022_Resolution-on-National-Recovery-and-Resilience-Plan.pdf
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 04 May 2022. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Helpful (but not a priority)	Mixed	The comments on the CSR 1 are valid for the CSR 2 and CSR 3

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Reduce overall reliance on fossil fuels and fossil fuel imports by accelerating the development of renewables, and diversify gas supply sources and routes by increasing interconnections with neighbouring countries. Step up efforts to reduce energy demand by increasing energy efficiency in industry and in private and public building stock. Promote new sustainable solutions in centralised district heating.	Helpful (but not a priority)	Mixed	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Wage bargaining and wage-setting policies	Setting up and implementation of the fair mechanism for setting the adequate minimum wages (Directive 2022/2041)	yes
Priority 2	BusinessEnvironment – Regulatory barriers to entrepreneurship	Regural fitness check on regulations and procedures and simplification	yes
Priority 3	---	---	---
Priority 4	---	---	---
Priority 5	---	---	---

Croatia

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Satisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Mixed	---
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 20 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising these negotiations with the Commission and starting their implementation.	Important	Satisfactory	---
CSR 3	Diversify fossil fuel imports and reduce overall reliance on fossil fuels. Accelerate the deployment of renewables, focusing in particular on wind, solar and geothermal sources, including through small-scale renewable energy production and developing energy communities, mainly by streamlining procedures for administrative authorisation and permits. Further upgrade electricity transmission and distribution grids and invest in electricity storage. Step-up action to reduce energy demand by improving energy efficiency, mainly in residential buildings, and to reduce dependence on fossil fuels in the heating and transport sectors.	Important	Mixed	---

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	No progress
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Tax Reforms	Reduce overall labour tax burden (including pension and healthcare contributions) and para-fiscal fees, funded by raising taxes on income from assets and rental activity	no
Priority 2	Labour market mismatch and labour mobility	Reduce absenteeism through financial disincentive of unjustified use of sick leave; Flexibilize Aliens Act further through easier visa procedures for non-EU students and family reunification and transfer of workers from non-EU countries between affiliated companies	no
Priority 3	Active labour market policies	Enhance re/upskilling strategies via co-financing education programs to acquire green and digital knowledge and skills	yes
Priority 4	Public sector efficiency	Reduce the number of local government units by merging financially unsustainable units; Reduce medium-term cost in healthcare through overly generous entitlement reforms	no
Priority 5	Sector specific regulation (telecom, energy)	Continue with targeted electricity energy cost subsidies until final electricity market design	yes

Cyprus

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Satisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Completely confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Satisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 28 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Important	Satisfactory	
CSR 3	Take measures to improve governance of the state-owned entities in line with international standards.	Helpful (but not a priority)	Mixed	
CSR 4	Reduce overall reliance on fossil fuel and further diversify energy supply by accelerating the deployment of renewables, in particular by further streamlining permitting procedures and expanding photovoltaics. Develop energy interconnections with neighbouring countries, while extending and accelerating energy efficiency measures, including in the transport sector.	Extremely important	Mixed	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	No progress
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Business Environment – Regulatory barriers to entrepreneurship	Setting up a one-stop-shop that will contribute to the simplification, fast track facilitation and efficient service of various requests from businesses	yes
Priority 2	Labour market mismatch and labour mobility	upskill and reskill of workers to address labor shortages	no
Priority 3	Tax reforms	need of a holistic tax reform	yes
Priority 4	ICT	accelerate digital transformation of public sector	yes
Priority 5	R&D and Innovation	---	yes

Czech Republic

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	<p>In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Take measures to ensure the long-term fiscal sustainability of public finances, including the sustainability of the pension system.</p>	Important	Unsatisfactory	<p>The proposal envisages significant deficit management both next year and in the budget outlook. We do not see significant and systemic measures on the expenditure side, e.g. regarding the number of civil servants.</p>

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 8 September 2021. Swiftly finalise the negotiations with the Commission of the 2021- 2027 cohesion policy programming documents with a view to starting their implementation.	Important	Mixed	<p>The negotiations on the 2021–2027 cohesion policy programming documents have successfully concluded. Operational programmes are open and calls are already running. The delay was almost entirely due to delays at EU level.</p> <p>The NRRP also started, but with a long delay caused first by familiarisation with the procedures and then by the change of government due to elections and new political situation. Unfortunately, the delay in the NRRP will also result in delays in some of the follow-up calls in the cohesion funds. In the components of digitalization of state administration and e-government there is a high risk of non-fulfilment of milestones and therefore reallocation will be proceeded with.</p>
CSR 3	Strengthen the provision of social and affordable housing, including by adopting a specific legislative framework for social housing and improved coordination between different public bodies.	Helpful (but not a priority)	Unsatisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels and diversify of fossil fuel imports. Accelerate the deployment of renewables, streamline permit procedures and make grid access easier. Increase the energy efficiency of district heating systems and of the building stock by incentivising deep renovations and renewable heat sources.	Important	Satisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	No progress
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Unsatisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Sector specific regulation (telecom, energy)	capping the price of electricity, gas and heat; Czech energy concept that will ensure the supply of energy to industry at competitive prices	yes partly
Priority 2	Public investment	investments to promote economic growth	yes
Priority 3	Labour market mismatch and labour mobility	facilitate economic migration, maintain flexicurity principles in labour law	yes
Priority 4	ICT	AI Act, Data Act, Cybersecurity and Cloud	yes
Priority 5	R&D and Innovation	make tax deductions for research and development more attractive and prepare the modernization of legislation to support research, development and innovation	yes partly

Denmark

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Implement the new property tax system in order to restore the link between market prices and taxes and ensure fairer taxation. Stimulate investment in construction of affordable housing to alleviate the most pressing needs. Increase the financial resilience of highly indebted borrowers.	Extremely important	No progress	This CS concerns 2023 and are not relevant yet. Due to election of a new government there are not yet a budget for 2023
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programmes and proceed with their implementation.	Important	Mixed	
CSR 3	Strengthen circular economy and waste management policies including by promoting waste prevention and reuse, increasing recycling, and gradually shifting away from incineration of municipal waste to greener sources of heat generation.	Extremely important	No progress	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels. Further diversify energy supply and help decarbonise the economy by accelerating the deployment of renewables, including by introducing reforms to simplify and expedite administrative and permitting procedures, upgrading energy transmission networks, increasing interconnections with neighbouring countries and improving energy efficiency.	Extremely important	Mixed	Small progress but more is needed

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	No progress
Business environment (regulation/access to markets)	No progress
Labour market	Unsatisfactory
Innovation and skills	No progress
Access to finance and Financial stability	No progress

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Market integration - Openness to trade and investment	Preserve positive attitudes toward globalisation.	(yes)
Priority 2	Sector specific regulation (telecom, energy)	Security of supply and development of energy infrastructure	yes
Priority 3	R&D and Innovation	Preserve the 130 pct R&D deduction without seeling. Increase public R&D	yes
Priority 4	Active labour market policies	Later retirement, more young people in work and faster routes through the education system. More practical content in educations. Efforts for the 45,000 young people without education	(yes)
Priority 5	Public sector efficiency	Streamlining the public sector (public employment back to prior covid19 levels) and increased competition for public tasks	(yes)

Estonia

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine.	Important	Unsatisfactory	Medium and big businesses are not being supported.
CSR 1b	Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Extremely important	Mixed	Investments in green and digital transformation have increased but it is uncertain if appropriate energy supply will be guaranteed.
CSR 1c	For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Satisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 29 October 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Important	Mixed	Sometimes economic needs are adressed but not supported by appropriate proportion of measures e.g investments in green technologies and green transformation of manufacturing etc. Huge variety of funding, organization and measures are confusing and make it harder to estimate the total public funding of investment needs.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Strengthen social protection, including by extending the coverage of unemployment benefits, in particular to those with short work spells and in non-standard forms of work. Improve the affordability and quality of long-term care, in particular by ensuring its sustainable funding and integrating health and social services.	Important	Mixed	Some reforms are made to make benefits more adequate, but less is dealt with the effectiveness of the public services.
CSR 4	Reduce overall reliance on fossil fuels and diversify imports of fossil fuels by accelerating the deployment of renewables, including through further streamlining of permitting procedures, ensuring sufficient capacity of interconnections and strengthening the domestic electricity grid. Increase energy efficiency, including of buildings, to reduce energy consumption. Intensify efforts to improve the sustainability of the transport system, including through electrification of the rail network and by increasing incentives to encourage sustainable and less polluting transport, including the renewal of the road vehicle stock.	---	---	It is somewhat questionable how to achieve it in a less harmful way.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	Unsatisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Hiring employees from third countries changed to a little easier (the criterion for the exemption from quota for highly skilled worker was reduced to 1,5 average wage from 2x average, 1 year temporary working can now be continued with 2 year working permit and older than 10 year fast growing technology firms can hire experts from abroad quota free), the maximum period for unemployment benefit is now depending on the economic cycle - longer in crisis and shorter with fast decreasing unemployment.

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Labour market mismatch and labour mobility	more STEM graduates and continuous learning	no
Priority 2	R&D and Innovation	more direct innovation investment support for manufacturing sector, more stem graduates	no
Priority 3	ICT	more ICT graduates	yes
Priority 4	Public sector efficiency	innovation of public services that is aimed for reduce costs and employment in public sector	no
Priority 5	Business Environment - Regulatory barriers to entrepreneurship	sustainability reporting, due diligence, company min tax regulation etc. adds enormous amount of administrative costs to medium and big companies whose success has the most socioeconomic impact, but European business environment actually needs less administrative burden to stay globally competitive.	no

Finland

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	<p>In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Present policy proposals for the social security reform, aiming to increase the efficiency of the system of social benefits, improving incentives to work, and also supporting long-term sustainability of public finances.</p>	Important	Mixed	<p>Government has had difficulties in targeting the support measures to the most vulnerable groups. They have adopted relatively broad-based measures which has led to big spending increases. Therefore, Finnish fiscal stance has been somewhat too stimulating.</p>
CSR 2	<p>Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 29 October 2021. Proceed with the implementation of the agreed 2021-2027 cohesion policy programme for Finland, and swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents for the Åland Islands and the Just Transition Fund with a view to starting their implementation.</p>	Helpful (but not a priority)	Satisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Reduce overall reliance on and diversify imports of fossil fuels by accelerating the deployment of renewables, including by further streamlining permitting procedures, and boost investment in the decarbonisation of industry and electrification transport. Develop energy infrastructure to increase security of supply.	Important	Satisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Satisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Consolidation of public expenditures	Reach a stable and sustainable long-term debt path without major tax increases.	no
Priority 2	Making work-pay: interplay of tax and benefit system	Overall tax rate and especially tax on labour is high. More incentives to work are needed and especially higher paid specialists should be attracted to Finland more actively.	no
Priority 3	Pension and health care reforms	Health care reform (regional providers) is effective from 2023. However, more flexibility and incentives to ensure long-term benefits are needed.	no
Priority 4	Labour supply measures for specific groups (older workers, women...)	Boost labour migration to Finland more efficiently than the current government has done.	no
Priority 5	R&D and Innovation	Ensure the path towards the long-term target of 4 %/GDP R&D expenditure.	yes

France

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms. Reform the pension system to progressively unify the rules of the different pension regimes to enhance its fairness while underpinning its sustainability.	Important	Unsatisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Important	Mixed	
CSR 3	Address the shortage of skills by raising the level of basic skills, providing additional work-based learning options and improving the learning outcomes of all students, notably by adapting resources and methods to the needs of disadvantaged students and schools and by improving the working conditions and continuous training of teachers.	Extremely important	Unsatisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
	Reduce overall reliance on fossil fuels. Accelerate the deployment of utility-scale and decentralised renewable energies through increased public investment and by facilitating private investment, including by further streamlining permitting procedures and ensuring adequate staffing of authorising administrations. Improve the policy framework to incentivise the deep renovation of buildings. Expand energy interconnection capacity.	Extremely important	Mixed	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Satisfactory
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Unemployment insurance reform
Cut to production taxes (first part)

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Pension and health care reforms	Retirement at 65	yes
Priority 2	Tax reforms	Further cut production taxes	no
Priority 3	Public sector efficiency	Impact studies before new regulation	no
Priority 4	Business Environment - Regulatory barriers to entrepreneurship	Cut red tape	no
Priority 5	---	---	---

Germany

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation.	Helpful (but not a priority)	Satisfactory	Implementation of national energy price breaks will lead to a slightly expansionary fiscal stance which is acceptable
CSR 1b	Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions.	Important	Satisfactory	
CSR 1c	Improve the tax mix for more inclusive and sustainable growth, in particular by improving tax incentives to increase hours worked. Safeguard the long-term sustainability of the pension system.	Extremely important	No progress	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	---	---	
CSR 3	Remove investment obstacles and boost investment in very high-capacity digital communication networks.	Helpful (but not a priority)	Mixed	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels and diversify their imports by improving energy efficiency, incentivising energy savings, diversifying energy supplies and routes, removing investment bottlenecks, further streamlining permitting procedures, boosting investment in and accelerating the deployment of electricity networks and renewable energy, and further advancing participation in energy-related cross-border cooperation.	Extremely important	Satisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Labour market mismatch and labour mobility	Reduce skills-mismatch; improve early vocational guidance and market-driven traineeship placement; better job counselling, transfer and placement; facilitate the employment of skilled workers from third countries	no
Priority 2	Wage bargaining and wage-setting policies	Safeguard the collective bargaining autonomy from external interferences avoiding tendencies to introduce general minimum wages; avoiding wage-price spiral; compensation for inflation is not employers' responsibility	no
Priority 3	Making work-pay: interplay of tax and benefit system	Midi-job threshold must not be further increased;	no
Priority 4	Tax reforms	Improve effectiveness and investment friendliness of tax system; avoid bracket creep	yes
Priority 5	Sector specific regulation (telecom, energy)	Energy price cap.	yes

Greece

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Satisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms. Building on reforms undertaken as part of the recovery and resilience plan, improve the investment friendliness of the taxation system by introducing an advance tax ruling system and review the structure of the tax burden on the self-employed. Safeguard the efficiency of the public administration while ensuring it can attract the right skills and preserving consistency with the unified wage grid.	Extremely important	Satisfactory	Areas for improvement include standardization of tax audits, a number of key parameters for business taxation (e.g. loss carry forward period) and the tax wedge on labor.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation. Complete outstanding reforms that have been pursued under enhanced surveillance, including the cadastre reform.	Extremely important	Satisfactory	Progress in the planning and roll out of plans is observed, but needs to accelerate while also reforms tied to the RRF need to be implemented over the next 12 months

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	With a view to ensuring adequate and equal access to health care, complete the rollout of the primary health-care reform in line with the framework amended under enhanced surveillance, including staffing of all primary healthcare units, implementing population registration and introducing effective gatekeeping by general practitioners.	---	---	---
CSR 4	Reduce overall reliance on fossil fuels, and diversify imports of fossil fuels by accelerating deployment of renewable energy and the development of infrastructure that would enable renewable hydrogen. Also address dependency through ensuring sufficient capacity of electricity networks and interconnections as well as gas interconnections and diversifying gas supply routes. Strengthen the energy services market framework and step up energy efficiency-enhancing measures through reforms and market incentives to support the decarbonisation of the building sector and the transport sector, particularly by promoting electric mobility.	Extremely important	Satisfactory	Progress is being made in the electricity interconnection of islands. Some progress made in the Implementation of investments plans in the energy distribution network and in storage systems in order to allow for new medium and large scale RES projects. Satisfactory implementation of subsidised programmes for energy saving in residential buildings.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Satisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	---
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

B. Business Environment

B.1 Law 4951/2022 - Modernization of the licensing process for Renewable Energy Sources -Phase B', Licensing of electricity production and storage, framework for the development of Pilot Marine Floating Photovoltaic Plants and more specific provisions for energy and the protection of the environment" (Government Gazette 129/A/04-07-2022)

B.2 Law 4964/2022 - Provisions for the simplification of environmental licensing, establishing a framework for the development of Offshore Wind Farms, dealing with the energy crisis, environmental protection and other provisions (Government Gazette 150/A/30-07-2022). In this area there has been satisfactory progress.

B.3 Law 4982/2022 - Establishment, development, management and operation of Business Parks - Single regulatory framework for Organized Receptors of Manufacturing and Business Activities and other provisions to enhance development" (Government Gazette 195/A/15-10-2022). In this area there has been satisfactory progress. The framework for the professional activity of handling Project Machinery is being updated, with the abolition of the licensing of machinery up to 2.5 tons (but with the necessary certification and experience) and the reduction of the necessary service experience by 50% in the use of machinery up to 4 tons.

B.4 Law 4919/2022 - Operating regime of the One–Stop–Shop Office (YMS) for the establishment of companies and the General Commercial Registry (GEMI) (Government Gazette 71/A/07.04.2022)

B.5 Digilization of tax administration in respect to business tax obligations

C. Labour Market

Presidential Decree 80/ 4.12.2022 “Codification of individual labor law legislation”. Codification of the issues of the individual labour agreement and the obligations of the parties such as, for example, equal treatment and decent work, the conducting and the types of individual labour agreements, the working conditions, the working time, the leave and the flexible working arrangements, the posting of workers, the protection of specific categories of workers, the termination and the transfer of the employment relationship. In the next few months the collective labor law will also be codified.

Law 4997/2022 ‘Rationalization of social security legislation, strengthening of vulnerable social groups and other provisions’. Pensions are adjusted, social security contributions are permanently reduced by 3%, the limitation period of the unestablished debts to the Social Security Fund (EFKA) is reduced to 10 years, the social security payments are doubled to 24 installments, the maternity leave is extended to 9 months and incentives are introduced to convert part-time individual labour agreements into full-time labour agreements.

Law 4957/2022 “New Horizons in the Higher Education Institutions: Enhancing the quality, functionality and connection of the Higher Education Institutions with society and other provisions’. Provisions regarding the improvement of the operation of the Higher Education Institutions through an integrated approach to the upgrading of the quality of the educational, research and scientific work of the Higher Education Institutions and their interface with the country’s development needs. These include arrangements for the Student Internship, the Industrial Doctorates, the Digital Skills Certificate, the Training and Lifelong Learning Centers and the University Research and Innovation Centers.

Law 4921/2022 “Jobs Again: Reorganization of the Public Employment Service and digitization of its services, upgrading of workforce skills and labor needs diagnosis and other provisions.” Renaming of the Agency as Public Employment Service, introduction of the digital individual action plan, the digital public employment service register and the digital public employment service card, upgrading of workforce skills and matching with the labor market, the mechanism for diagnosing labor market needs, and subsidized continuing vocational training.

E. Access to finance and Financial stability

E.1 Law 4887/2022 - Development Law - Greece Strong Development (Government Gazette 16/A/04-02-2022)

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Tax reforms	Continue improvement of tax environment for business in key areas (loss carry forward, depreciation regime, harmonization of audits) and ensure an attractive tax wedge for employment.	yes
Priority 2	Business Environment - Regulatory barriers to entrepreneurship	Conclude reform of business licensing, ensure that the roll out of the spatial planning projects is aligned with targets on sustainable growth and the transition and adapt the auditing mechanisms to the reformed licensing process.	yes
Priority 3	Public investment	Ensure that public investment supports the regeneration of domestic production during a successful transition.	yes
Priority 4	Labour market mismatch and labour mobility	Ensure the matching of labour market needs with the education system, enabling the labor mobility across the sectors of the economy	yes
Priority 5	---	---	---

Hungary

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Improve the long-term sustainability of the pension system, while preserving adequacy in particular through addressing income inequalities.	Important	Unsatisfactory	
CSR 2	Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Important	Unsatisfactory	
CSR 3	Continue the labour market integration of the most vulnerable groups, in particular through upskilling, and extend the duration of unemployment benefits. Improve the adequacy of social assistance and ensure access to essential services and adequate housing for all. Improve education outcomes and increase the participation of disadvantaged groups, in particular Roma in quality mainstream education. Improve access to quality preventive and primary care services.	Important	Unsatisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reinforce the anti-corruption framework, including by improving prosecutorial efforts and access to public information, and strengthen judicial independence. Improve the quality and transparency of the decision-making process through effective social dialogue, engagement with other stakeholders and regular impact assessments. Continue simplifying the tax system. Improve regulatory predictability and competition in the services sector in particular in retail and utilities, and apply competition scrutiny systematically in business transactions. Improve competition in public procurement.	Extremely important	Unsatisfactory	
CSR 5	Promote reform and investment on sustainable water and waste management and the circularity of the economy, the digitalisation of businesses, green and digital skills, and research and innovation.	Helpful (but not a priority)	Unsatisfactory	
CSR 6	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables, in particular by streamlining the permitting procedures and the upgrading of the electricity infrastructure. Diversify imports of fossil fuels in particular by strengthening interconnection with other countries. Reduce the dependency on fossil fuels in buildings and transport by stepping up efforts on energy efficiency measures for all, especially in residential houses and on the electrification of transport.	Important	Unsatisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	No progress
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Unsatisfactory
Innovation and skills	No progress
Access to finance and Financial stability	Unsatisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Quality of fiscal institutions and budgetary framework	Acute teacher shortage	no
Priority 2	Pension and health care reforms	A critical shortage of health workers	yes
Priority 3	Consolidation of public expenditures	High government deficit	yes
Priority 4	Business Environment – Regulatory barriers to entrepreneurship	Ad hoc changes in taxes	no
Priority 5	Public investment	Prestige investment	no

Ireland

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Satisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Address the expected increase in age-related pension expenditure by ensuring the fiscal sustainability of the state pension system.	Helpful (but not a priority)	Satisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 8 September 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Helpful (but not a priority)	Satisfactory	
CSR 3	Focus efforts on boosting the circular economy. In particular, develop both infrastructure and policies to prevent waste and increase reused and recycled content, and develop a more effective system for the separate collection of recyclable waste, including biodegradable waste. Promote safer and cleaner waste water circuits.	Important	Mixed	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels. Accelerate the deployment of renewable energy, in particular offshore wind, including by introducing reforms to improve the efficiency of the planning and permit system, particularly by reducing the duration of procedures. Upgrade energy infrastructure, including for storage. Ensure the fast implementation of deep building retrofits. Accelerate the electrification of transport, including by installing charging facilities.	Important	Unsatisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Satisfactory
Business environment (regulation/access to markets)	Satisfactory
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Public investment	Higher education institutions have played a significant role in the economic and societal transformation of Ireland’s economy over the past decades. The announcement of further investment of €307 million in core funding recognises the urgent funding crisis facing the sector and the necessity of investing in the quality and capacity of Ireland’s education institutions to protect our international competitiveness offering. Government must begin to deliver on this multi-annual commitment in Budget 2023.	yes
Priority 2	R&D and Innovation	Increase public investment in research and innovation by 20% per annum to achieve €1.25bn by 2025 and to deliver on Ireland's ambition of becoming an international Innovation Leader with strong industry-academia collaboration.	no
Priority 3	Labour market mismatch and labour mobility	Ireland has the lowest offering of profit-sharing and share ownership schemes in Europe according to the 2019 European Company Survey. This is despite their well-understood benefits. Revenue approved share schemes must be offered on the same terms to all workers. This makes them inflexible to companies’ reward structures. These schemes must be allowed to be linked to performance. The €12,700 limit on Revenue approved share options schemes should also be increased to €20,000 and indexed to wages having not been indexed since the early 2000s.	no

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 4	Business Dynamics - Start-up conditions	We support the OECD recommendation to extend tax support through a form of SARP to new hires for SMEs and start-ups. Many companies have also raised the issue of base salaries being the only qualifying remuneration for the scheme. Often in roles such as sales, in smaller companies, and in start-ups a large proportion of pay can consist of bonuses, benefit-in-kind or share options. The qualifying conditions should be altered to include performance-related pay in a minimum basic salary for SMEs.	no
Priority 5	Wage bargaining and wage-setting policies	Several legislation-driven increases to labour costs are due to be implemented over the coming months and years, including the movement to a living wage, pension auto-enrollment and statutory sick pay. Ibec recommends a coordination process be put in place for the introduction of these additional costs to minimise labour market disruption and smooth cost increases for worst-impacted businesses.	no

Italy

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Satisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Completely confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms.	Important	Mixed	Prudent fiscal policy in the medium term is necessary in order to ensure the sustainability of Italy's high public debt. This is particularly relevant given the renewed enforcement of the EU fiscal rules in 2024. The revision of public expenditures, in particular in the area of public procurement, that is planned in the Italian Recovery and Resilience Plan, could increase the quality of public expenditure and allow to redirect resources to other priorities.
CSR 2a	In order to further reduce taxes on labour and increase the efficiency of the system, adopt and appropriately implement the enabling law on the tax reform, particularly by reviewing effective marginal tax rates, aligning the cadastral values to current market values, streamlining and reducing tax expenditures, also for VAT, and environmentally harmful subsidies while ensuring fairness, and by reducing the complexity of the tax code.	Extremely important	Unsatisfactory	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	<p>Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.</p>	Important	Satisfactory	<p>Although the elections slowed down the process, the Government continued to implement the milestones and targets of the National Recovery and Resilience Plan. Some difficulties have caused delays in the reforms, especially for the implementation of the annual law on competition, but in December 2022 the Government approved the legislative decree on local public services. As for investments, concerns are for the increase in the prices of raw materials and energy, but this is relevant for the next few years and not for 2022.</p> <p>Regarding sectorial interventions, Italy has undertaken to reduce the average length of civil proceedings by 40% and by 25% for criminal proceedings, as well as the backlog of the judicial offices by 90%. Last year, the Parliament approved two enabling laws: one for the civil sector (Law no. 206 of 2021) and one for the criminal sector (Law no. 134 of 2021) which provided for a broad delegation to the Government for the reform of the civil and criminal trials. On 28 September 2022, the Council of Ministers approved three legislative decrees, which concern the office for the trial, the efficiency of the civil proceeding and the efficiency of the criminal proceeding.</p> <p>Many interventions have been taken to simplify and reduce the time to proceed at first and second instance, to consolidate the use of telematic means, as well as urgent measures to rationalise proceedings in the field of personal and family rights. In addition, alternative forms of dispute resolution, both in terms of mediation and assisted negotiation, are expected to be much more strengthened through tax incentives and the extension of these remedies to new matters. This strategy based both on ritual reform interventions and on the extra-procedural organizational level can make it possible to achieve the objective of an organic reform of justice capable of improving the system in terms of response times, quality of decisions and triggering a real organisational process.</p> <p>Finally, among the others essential milestones of the NRRP to promote collaborations between the public and private sector in R&D activities and to innovate the management of IP rights, the Reform of the Intellectual Property Code (Legislative Decree no. 50/2003) need to be mentioned. The Reform Bill has been approved by the Council of Ministers and the incardination to the Parliament is now expected.</p>

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Reduce the reliance on fossil fuels and diversify energy import. Overcome bottlenecks to increase the capacity of internal gas transmission, develop electricity interconnections, accelerate the deployment of additional renewable energy capacities and adopt measures to increase energy efficiency and to promote sustainable mobility.	Extremely important	Mixed	Many efforts have been made on the first point, pressed by problems on Russian gas in 2022 (we already have more diversified energy imports and progress in continuing), but much has still to be made on the other steps of the recommendation (in particular, renewables have a big share in Italy but must continue to grow by a large extent)

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Satisfactory
Labour market	Mixed
Innovation and skills	Satisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

1. On 2 August 2022, the Senate definitively approved the Annual Law for the Market and Competition 2021 (Law no. 118 of 2022). The Law represents an important step for Italy in the implementation of the National Recovery and Resilience Plan (NRRP), which intends to ensure its annual frequency. The objectives of the Law are to: i) promote the development of competition and guarantee access to markets for smaller companies, taking into account the objectives of job protection, quality and efficiency of public services, protection of environment and citizens' right to health; ii) remove regulatory, legislative and administrative obstacles to the opening of markets; iii) ensure consumer protection. For the 2021, the NRRP provides that the Law intervenes on: antitrust rules, local public services, energy, transport, waste, starting a business, market surveillance. With the approval of the Law, a phase of intense work began for the Government, called to implement many of the legislative delegations envisaged by the end of 2022, to achieve the objectives of the NRRP. In particular, two legislative decrees have been adopted: Legislative Decree 12 October 2022, no. 157 regarding "Adaptation of national legislation to the provisions of regulation (EU) 2019/1020 of the European Parliament and of the Council, of 20 June 2019, and simplification and reorganization of the related market surveillance system", as well as the Legislative Decree on local public services, which was approved in the Council of Ministers of 16 December 2022.
2. The Parliament entrusted the Government for the Public Procurement Code (Codice dei Contratti Pubblici) Reform (Law no. 78/2022) which provides for an organic and overall reorganization of various dispositions. Even through complicated rules, the draft Code seems to restore the Code's original functions, such as those of making tenders and acquiring goods and services, going beyond the conception according to which it is the duty of the Code to fight corruption. The draft Code has the particular merit of lining up a series of principles that can guide the right interpretation.
3. On 15 July 2022, the new Insolvency Code (Legislative Decree no. 14/2019) entered into force, also transposing the Directive (UE) 1023/2019 on preventive restructuring frameworks. The most relevant innovation is the introduction of the so-called "composizione negoziata per la soluzione della crisi d'impresa" (already temporarily provided by the Decree-Law no. 118/2021, starting from November 2021), instead of the so called "procedura di allerta e composizione assistita della crisi", previously laid down by the first version of the Code. The new out-of-court mechanism - which is voluntary, confidential and focused on the role of an independent expert - aims to ensure an earlier emersion of the distress situation of the company, as well as a quick adoption of the more suitable/appropriate remedies. This innovation is expected to gradually accompany insolvent companies out of the market while the resilient ones towards the resolution of the crisis, taking into account the creditors' claims.
4. On 24 May 2022, the Government approved a bill to reform the incentive system in order to improve its efficiency. The provision will have to be implemented, within 12 months, by one or more decrees in order to define a organic system of rules for activating public support in favor of companies, also aimed at increasing access to credit. The reform provides for a survey of existing measures and is aimed at simplifying existing rules and adopting new ones , with particular regard to those intended for companies in the South.

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Public sector efficiency	Completing the Public Procurement Code Reform. The deadline for the entry into force of the Legislative Decrees is 30 March 2023, while for the implementing acts (regulations, guidelines, etc.) additional 3 months are available (June 2023). The approval of all these acts is accompanied by NRRP milestones that set precise quantitative objectives (for example, the Plan envisages, by the end of 2023, the reduction of at least 15% of the average time between the award of the contract and the construction of the infrastructure). Since the procurement procedures have already changed very often in recent years, it is expected that it will take time for economic operators to get used to the new rules.	yes
Priority 2	Business Environment - Regulatory barriers to entrepreneurship	Approving the new Annual Law for the Market and Competition in 2023 (as provided by NRRP). The Law must contain provisions on electricity and promote the diffusion of second-generation smart electricity meters. The Bill has not been submitted by the Government to the Parliament yet. The NRRP also provides for the entry into force of all the eventual secondary legislation, including the regulations for an effective implementation and application of all the mentioned measures.	yes

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 3	Pension and health care reforms	The Covid-19 pandemic has shown that without health, there is no economic growth or social well-being. In this sense, it is necessary that public health policies will be oriented to consider this issue as a strategic industrial chain in which concentrate reforms and investments. To do this, it is necessary to promote actions also aimed at guaranteeing greater sustainability of the Italian health system which bring together - according to a logic of strategic partnership - public and private resources. Finally, it is necessary to align national and European policies on the issue of health digitalization in order to uniform and allow interoperability of platforms and to have a fully operational European health data space as soon as possible.	no
Priority 4	R&D and Innovation	Reforming the Intellectual Property Code (Legislative Decree no. 50/2003) since it is an important milestone of the PNRR for promoting investments in: innovation; partnerships between universities/research institutions and the private sector in R&D activity; digitisation procedures for registering and maintaining IP rights. The Council of Ministers approved the reform bill which must be submitted to the Parliament.	yes
Priority 5	Business Environment - Regulatory barriers to entrepreneurship	Reforming the regulatory framework on the administrative liability of entities pursuant to Legislative Decree no. 231/2001. In particular, among others, it is necessary to: increase the rewarding efficacy of organizational models; fill the gap on the indications relating to the contents of such models; review the procedural rules and the sanctioning provisions, especially with reference to precautionary measures.	no

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 6	Business Environment - Regulatory barriers to entrepreneurship	Transposing the Directive no. 2019/1937 for the protection of persons who report violations of EU law (whistleblowing), with a balance between the protection of "whistleblowers" and the protection of the companies from abuse and disclosure of sensitive information, as well as a greater protection for the subjects involved in the report.	yes
Priority 7	Competition policy framework	Implementing - with no burdens and avoiding uncertainties - Law no. 118/2022 for the Market and Competition about the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato - AGCM) power to review businesses' concentrations operations below the provided thresholds, in case of concrete risks for competition in the national market, also due to particular innovative strategies.	yes
Priority 8	Business Environment - Regulatory barriers to entrepreneurship	Enhancing the multiple and the weighted voting shares mechanisms, in order to foster the competitiveness of the Italian stock market at European level.	yes
Priority 9	Bank lending conditions	Strengthen the system of public guarantees granted (through the Guarantee Fund for SMEs and SACE) on bank loans to enterprises.	yes
Priority 10	Access to bond markets	Activate and strengthen the guarantees provided by the Guarantee Fund for SMEs on basket bond issues, in order to encourage the issuance of bonds by smaller companies	yes

Latvia

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Not confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Broaden taxation, including of property and capital, and strengthen the adequacy of healthcare and social protection to reduce inequality.	Important	Mixed	Series of recommendations rises caution: <ul style="list-style-type: none"> • increase the progressivity of taxes: even now labor taxes for high salaries are the highest among the Baltic States! • collect more from capital taxes : especially in the context of the OECD's recent recommendation to introduce inheritance taxes, the question is whether Latvia is ready for this; • cannot agree to the proposal to raise property and capital taxes, which is certainly debatable.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Important	Unsatisfactory	The investment inflow to Latvia is delayed : EU public investments from the Recovery and Resilience Plan (RRF) and EU Structural Funds 2021 2027 financing, which until now the government presented as a tool for promoting the economy

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Improve access to finance for small and medium-sized enterprises through public lending and guarantee schemes aimed at facilitating investments of strategic importance, in particular the green transition and regional development.	Important	Mixed	
CSR 4	Reduce overall reliance on fossil fuels and diversify imports of fossil fuels by accelerating the deployment of renewables, ensuring sufficient interconnection capacity, diversifying energy supplies and routes and reducing overall energy consumption through ambitious energy efficiency measures.	Extremely important	Mixed	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Tax reforms	<p>A tax policy that:</p> <ol style="list-style-type: none"> 1) Ensures the competitiveness of labor taxes : total tax costs vs. net at all salary levels at the level of the Baltic States 2) Ensures competitive labor costs at the level of the Baltic States: reduction of the number of paid days of the employer's sick leave; the employer's right to pay for higher education without applying additional labor taxes; payment of the employer's student scholarships during the internship, without applying additional labor taxes 3) Ensures the small business tax regime and provides simplified tax administration 4) Reduces shadow economy (envelope wage economy) 	no
Priority 2	R&D and Innovation	Increase investment into R&D	no

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 3	Pension and health care reforms	<p>Development of health care system in the following directions:</p> <ul style="list-style-type: none"> • Quality health care available within a reasonable period of time • Predictable and appropriate financing of the health care system • Increasing the efficiency of the healthcare system • Developing digitalization of healthcare, creating an ecosystem 	no
Priority 4	Bank lending conditions	Improve availability of financial resources (incl. competitive interest rates for lending) to enterprises	no
Priority 5	Labour market mismatch and labour mobility	Improve the participation rate in labour market of different socio-economic groups (young parents, pensioners, disabled persons etc.)	no

Lithuania

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Very dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	<p>In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Foster co-operative public procurement at central government and municipality levels.</p>	<p>Helpful (but not a priority)</p>	<p>Mixed</p>	<p>It is not very concrete, LPK agrees with the recommendation and recognises its importance, however, we are not confident yet, if the Government will distribute the funds to achieve best efficiency in regards of business and industry sector.</p>

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	<p>Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 20 July 2021. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.</p>	<p>Helpful (but not a priority)</p>	<p>Unsatisfactory</p>	<p>Most of the funds are for digitalisation of the public sector, but it does not have a wider effect on the LT industry. RRF is absolutely oriented to the Public sector. It is not clear yet, if the adjustments of the plan will allow to create conditions for the better impact on the industry. Federation agrees that public sector needs the reform; however Lithuanian industry sector creates 1/5 GDP. It is important to invest into energy efficiency solutions, robotisation and green transition of the industry. Current RRF plan does not have a horizontal effect needed for Lithuanian economy post crisis. Lithuania overcame the Covid challenge quite successfully, yet the new crises - China's economic policy towards Lithuania, Russian war in Ukraine, unstable supply chains, prices of raw materials - threatens to make wide-ranging negative effects on the Lithuania's economy. LPK is convinced that changes to National RRF implementation plan are essential to correspond new realities.</p>
CSR 3	<p>Strengthen primary and preventive care. Reduce fragmentation in the planning and delivery of social services and improve their personalisation and integration with other services. Improve access to and quality of social housing.</p>	<p>Extremely important</p>	<p>Mixed</p>	<p>LPK recognizes the importance of the recommendation. We do not see sufficient, balanced attention to the implementation.</p>

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables, increasing energy efficiency and decarbonisation of industry, transport and buildings, and ensure sufficient capacity of energy interconnections.	Extremely important	Mixed	It is appropriate recommendation, the core of the problem was identified here - the dependency on the gas and fossil fuels. However, the reform effort should focus on the question "how" to decrease that dependency. The companies and government are putting effort for green transformation and diversify energy sources. The implementation is yet problematic.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	Unsatisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

<p>Energy market regulatory module reform: remote renewable energy purchasing : https://www.interregeurope.eu/good-practices/remote-renewable-energy-power-plants-for-prosumers https://ceenergynews.com/renewables/lithuania-residents-first-in-the-world-to-rent-remote-wind-turbines/ https://renewablesnow.com/news/lithuania-pursuing-energy-independence-through-renewables-based-strategy-617518/</p>	<p>Excellent</p>
--	------------------

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
<p>Priority 1</p>	<p>Business Environment - Regulatory barriers to entrepreneurship</p>	<p>Less " business as usual" regulation, more incentives are needed for entrepreneurship and industry, as the overall business environment objectively has changed in the course of few years, especially overcoming crisis (Covid-19, China trade embargo, War in Ukraine and post energy crisis). It changed the structure of business costs, therefore business environment needs to adjust and be far more flexible and restrictive, state aid measures are needed for core industries to maintain production.</p>	<p>no</p>
<p>Priority 2</p>	<p>R&D and Innovation</p>	<p>The European funds implemented through calls for proposals so far estimates a very limited amount of funds (98 M EUR) for the digitalisation and robotization of the businesses/companies. It is insufficient funds to boost innovation.</p>	<p>no</p>

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 3	ICT	Even though according to the digital economy and society index (DESI), Lithuania ranks 14th among the 27 EU member states in 2022. In the field of digital public services, the country performs very well, human capital and integration of digital technologies are in line with the EU average, however connectivity, especially in the area of 5G, performs worse. Lithuania's digital development has slowed down, and the rate of catch-up of the best developed EU countries in the last five years has not been as fast as it could have been, therefore government needs to step up and put more effort in Digitalisation to have a horizontal effect on the industry and business environment.	no
Priority 4	Labour market mismatch and labour mobility	The labour market is still greatly challenged by labour shortages. Despite a slight slowdown in production, we believe that the labour market will absorb very quickly those workers who lose their jobs. Of course, there may be a need for reskilling and upskilling. Overall unemployment in Lithuania remains low. Therefore, we continue to foresee great challenge for industry to reduce labour shortage. The education system needs to adjust to the needs of businesses and industry, especially when it gets to technical education. It is also an opportunity for the regions to grow some competences locally to boost regional investments. The education system needs to be adjusted in line with the investment facilities development, sectoral priorities and municipal/ regional development plans.	yes

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 5	Tax reforms	<p>LPK has a long-standing position, that Lithuanian tax system requires complex reform. Our analysis showed that it is possible to achieve both – economy growth as well as increasing state budget compared to GDP. That could only be achieved by introducing complex changes.</p> <p>On the employers' side, we are disappointed that tax reform remains fragmented; a holistic approach is still missing. There was optimism in 2021 when the Working Group on Tax reform under the Ministry of Finance was formed and completed its work at the end of 2021. However, the results have not been publicly presented.</p> <p>There is still the issue of distributed profits tax - neighbouring countries in the region have the incentive for the reinvested profits, so we see it as Lithuania's competitive disadvantage.</p>	yes

Luxembourg

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	---
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Improve the long-term sustainability of the pension system, in particular by limiting early retirement and by increasing the employment rate of older workers. Take action to effectively tackle aggressive tax planning, including by ensuring sufficient taxation of outbound payments of interests and royalties to zero and low-tax jurisdictions.	Extremely important	Unsatisfactory	Especially important in Luxembourg: the long-term sustainability of the pension system (see the 2021 Report of the Ageing Working Group).
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Helpful (but not a priority)	Mixed	The amount of the recovery and resilience plan is quite limited (as a % of GDP) in Luxembourg.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Reduce the impact of inequalities on pupils' performance and promote equal opportunities for all students in the educational system.	Important	Unsatisfactory	A recurrent problem in Luxembourg (see the OECD Pisa studies). This is to a certain extent related to high linguistic requirements.
CSR 4	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables, electricity transmission capacity, and investment in energy efficiency in both the residential and non-residential sectors. Support municipalities in developing detailed local plans for the deployment of renewable energy, including wind power and photovoltaics, and for district heating and cooling systems. Further promote electrification of transport and invest in public transport networks and infrastructures.	Important	Mixed	Very important, but the relevant area should be Luxembourg and the surrounding foreign areas, not just Luxembourg (which functions as a sort of regional metropolitan centre, with high inflows of foreign employees and the related impact on transports for instance).

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	---	---	---
Priority 2	---	---	---
Priority 3	---	---	---
Priority 4	---	---	---
Priority 5	---	---	---

Malta

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions	Extremely important	Mixed	MCCEI supports Government intervention to subsidise energy costs for industry and households for economic stability. However to compensate for such a huge investment with great fiscal implication, the MCCEI would like to see reforms in other areas that would discourage current practices that are reliant on fossil fuel energy by addressing a culture shift towards shared mobility, and energy saving in important sectors including transport, construction, industry and tourism etc.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 5 October 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Extremely important	Mixed	MCCEI welcomes the national RRP schemes for business that were issued so far and encourages that more schemes are rolled-out with urgency to address the current economic need for investment. Re Cohesion Policy Programme 2021-2027 the understanding is that the documentation was submitted and accepted by the European Commission.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Take action to effectively address features of the tax system that may facilitate aggressive tax planning by individuals and multinationals, including by ensuring sufficient taxation of outbound payments of interests, royalties, and dividends, and amending the rules for non-domiciled companies.	Important	Satisfactory	Malta's right for a different efficient tax system which is attractive for foreign direct investment to compensate for its disadvantages compared to other EU member states including, insularity and lack of economies of scale due to its micro island economy. Having said this, tax avoidance should not be facilitated and in fact Malta has addressed policy concerns regarding Governance, Transparency and Enforcement in the past months as part of a reform process by the FATF.
CSR 4	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables, promoting and enabling investments in wind and solar energy, including in floating offshore energy, further upgrading Malta's electricity transmission and distribution grids, and creating incentives for electricity storage to supply firm, flexible and fast responding energy. Reduce energy demand through improved energy efficiency, particularly in residential buildings. Reduce emissions from road transport by addressing traffic congestion through improved service quality in public transport, intelligent transport systems and investing in soft mobility infrastructure.	Extremely important	Mixed	Malta has launched an expression of interest process for the installation of floating wind farms at sea. There has been a push for the installation of solar panels however we consider that this is approaching saturation point due to limited size of the land. MCEI also advocates for the waiving any rental fees against the investment in solar panels installed within state-owned facilities within industrial parks. Furthermore, reference is made to our reply on CSR1 with respect to reducing traffic congestion.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Labour Market Mismatch and Labour Mobility	Improve Malta's attractiveness for Third Country Nationals; vocational and work-based learning	yes
Priority 2	Wage Bargaining and Wage-Setting Policies	Reform Cost of Living Adjustment System (Wage indexation)	yes
Priority 3	Public Sector Efficiency	Secondment of public official to the private sector following an independent audit exercise to reduce the oversized public sector	yes
Priority 4	Public Investment	Make full and efficient use of EU funds: Cohesion Policy and RRP; especially by rolling industry specific incentives and investment in capital projects	yes
Priority 5	Competition Policy Framework	Tailor made state-aid schemes to offset additional transport costs (due to insularity); Reform of public procurement	yes

The Netherlands

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1a	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds.	---	---	---
CSR 1b	For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Reduce the debt bias for households and the distortions in the housing market, including by supporting the development of the private rental sector, and taking measures to increase housing supply. Enact and implement the reform of the pension system agreed in 2019 and 2020.	Helpful (but not a priority)	Satisfactory	NL Government is working on a more targeted compensation for the higher energy costs
CSR 2	Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Irrelevant	---	Unknown what this means
CSR 3a	Promote adequate social protection for the self-employed without employees, tackle bogus self-employment and reduce the incentives to use flexible or temporary contracts.	Important	No progress	Good ambitions, but no progress so far

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3b	Address labour and skills shortages, in particular in healthcare, education, digital and technical jobs and construction, including by tapping underutilised labour potential originating from the high share of part-time employment and the lower employment rate of people with a migrant background. Strengthen up- and reskilling opportunities, notably for those at the margins of the labour market and the inactive.	---	---	---
CSR 4	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables, in particular by boosting complementary investments in network infrastructure and further streamlining permitting procedures, improving energy efficiency, in particular in buildings, and accelerating investments in sustainable transport and sustainable agriculture.	Important	Satisfactory	Several sustainability measures have been taking, notably on nitrogen reduction

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	No progress
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

In some areas (like labour market) ambitions are high, but without concrete results so far. On others there is not even an ambition, notably business climate; political atmosphere is anti business

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Business Environment - Regulatory barriers to entrepreneurship	acknowledge importance of business	yes
Priority 2	Active labour market policies	address shortage of labour supply	yes
Priority 3	Pension and health care reforms	implement new pension system (DC instead of DB for instance)	---
Priority 4	Access to equity markets	NL business is too much dependent on bank lending	yes
Priority 5	Tax Reforms	NL tax system is a patchwork, desperately in need of guiding principles	yes

Poland

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	---
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	---
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	---

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Improve the efficiency of public spending, including by continuing the reform of the budget process. Ensure the adequacy of future pension benefits and the sustainability of the pension system by taking measures to increase the effective retirement age and by reforming the preferential pension schemes.	---	---	---
CSR 2	Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	---	---	---
CSR 3	Increase labour market participation, including by improving access to childcare and long-term care, and remove remaining obstacles to more permanent types of employment. Foster quality education and skills relevant to the labour market, especially through adult learning and improving digital skills. Better target social benefits and ensure access to those in need.	Extremely important	Unsatisfactory	Lack of substantive initiatives. Certain initiatives are envisaged as part of the national recovery programme.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Improve the resilience, accessibility and effectiveness of the health system, including by providing sufficient resources to reverse the pyramid of care and accelerating the deployment of e-health services. Strengthen the innovative capacity of the economy, including by supporting research institutions and their closer collaboration with business. Enhance further digitalisation of businesses and public administration, including through development of infrastructure.	---	---	---
CSR 5	Enhance the investment climate, in particular by safeguarding judicial independence. Ensure effective public consultations and involvement of social partners in the policy-making process.	---	---	---
CSR 6	Reduce overall reliance on fossil fuels by removing regulatory, administrative, and infrastructural barriers to accelerate permitting and deployment of renewable energy sources. Reform building renovation policies and support schemes to incentivise deeper energy efficiency, promote energy savings and faster phase-out of fossil fuels in heating and accelerated deployment of heat pumps. Accelerate modal shift towards public transport and active mobility and promote faster uptake of electric vehicles with incentives and investment in charging infrastructure. Improve long and medium-term strategic planning of the green transition by updating national energy policies in line with the European Green Deal objectives and the REPowerEU Communication to provide certainty to the business community and use funding effectively with a view to accelerating clean energy investments.	Important	Unsatisfactory	Barriers to accelerate permitting and deployment of renewable energy sources have not been removed. Number of electric vehicles and recharging points are increasing very slowly. National strategy on energy is obsolete and needs to be updated with regard to more ambitious RES targets.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Due to the increasing number of legal acts, obligations, the conditions for doing business are becoming more and more difficult.

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	---	---	---
Priority 2	Pension and health care reforms	Ensure the adequacy of future pension benefits and the sustainability of the pension system by taking measures to increase the effective retirement age and by reforming the preferential pension schemes.	no
Priority 3	Labour market mismatch and labour mobility	improving internal mobility. Foster quality education and skills relevant to the labour market, especially through adult learning and improving digital skills	yes and no
Priority 4	Labour supply measures for specific groups (older workers, women...)	improving access to childcare and long-term care	yes
Priority 5	Sector specific regulation (telecom, energy)	RES development support, including permits and finance.	yes

Portugal

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms. Improve the effectiveness of the tax and social protection systems, in particular by simplifying both frameworks, strengthening the efficiency of their respective administrations, and reducing the associated administrative burden.	Important	Mixed	While we consider the recommendation to be excessively focused on the fiscal consolidation, the other elements of the recommendation are both relevant and important. The budget for 2023 is close to meet the recommendation. Public investment has been lower than budgeted. No progress regarding the effectiveness of the tax and social protection systems.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Extremely important	Unsatisfactory	RRP milestones and targets have been met, but there are delays in the execution of several measures. There are also delays in the cohesion policy programming documents and its implementation.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Enhance the conditions for a transition towards a circular economy, in particular by increasing waste prevention, recycling and reuse to divert waste away from landfills and incinerators	Important	Unsatisfactory	Results of actions announced were not visible. For example, the simplification of the classification of a byproduct.
CSR 4	Reduce overall reliance on fossil fuels, including in the transport sector. Accelerate the deployment of renewables by upgrading electricity transmission and distribution grids, enabling investments in electricity storage and streamlining permitting procedures to allow for further development of wind, particularly offshore, and solar electricity production. Strengthen the incentives framework for energy efficiency investments in buildings. Increase electricity interconnections	Important	Mixed	Reduce overall reliance on fossil fuels, including in the transport sector: This recommendation implies critical social issues because energy transition must be fair and inclusive. Accelerate the deployment of renewables (...): Offshore wind is growing. Solar electricity production more than double each year. Strengthen the incentives framework for energy efficiency investments in buildings: Incentives have been created under the RRP, but we still have a long path to achieve energy efficiency. Increase electricity interconnections: Several agreements, but still no execution.

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Venture capital and SME financing instruments	Address the need for business to strengthen their financial structure and recapitalize, through appropriate financial instruments	yes
Priority 2	Labour market mismatch and labour mobility	Prioritize vocational training, linking it with the labour market needs, deeply involving business associations and companies.	yes
Priority 3	Tax reforms	Reduce the tax burden on companies	no
Priority 4	Public sector efficiency	Increasing the efficiency of public administration and eliminate administrative burdens. Focus on improving judicial system (namely by capacitation of commercial courts)	yes
Priority 5	Job protection	Changes in progress and planned in labor legislation should be abandoned, as they go in the wrong direction.	no

Romania

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Very dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	Pursue fiscal policies in line with the Council Recommendation of 18 June 2021 with a view to bringing an end to the situation of an excessive government deficit in Romania.	Extremely important	Mixed	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 3 November 2021. Swiftly finalise the negotiations with the Commission of the 2021- 2027 cohesion policy programming documents with a view to starting their implementation.	Extremely important	Unsatisfactory	
CSR 3	Reduce overall reliance on fossil fuels. Facilitate the further expansion of sustainable energy production by accelerating the development of renewables, upgrading energy transmission grids and increasing interconnection with neighbouring Member States. Increase the pace and ambition of renovations to advance the energy efficiency of the building stock.	Important	Mixed	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	No progress
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Active labour market policies	Romania needs to quickly increase its supply of non-EU labour otherwise the economy will soon reach a choke point	yes
Priority 2	Public sector efficiency	Romania needs to digitalize its public administration	yes
Priority 3	Tax reforms	The current fiscal framework is not sustainable in the long run	no
Priority 4	Sector specific regulation (telecom, energy)	Romania needs a new design for its energy market	no
Priority 5	Consolidation of public expenditures	Romania must quickly reduce its budget deficit below 3%	yes

Slovak Republic

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Not confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Make the tax mix more efficient and more supportive to inclusive and sustainable growth, including by leveraging the potential of environmental and property taxation. Continue to strengthen tax compliance, including by further digitalising tax administration.	Extremely important	Mixed	Recovery plan is adopting in this time. Support for household and firms is not targeted.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Important	Satisfactory	Some problems were with implementing spending limits.
CSR 3	Reduce overall reliance on fossil fuels and diversify imports of fossil fuels. Accelerate the deployment of renewables by further facilitating grid access, introducing measures to streamline permitting and administrative procedures and modernising the electricity network. Reduce reliance on natural gas in heating and industry. Adjust renovation policies to accelerate and incentivise deep renovations of buildings.	Helpful (but not a priority)	Unsatisfactory	---

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	No progress

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Pension reform

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Wage bargaining and wage-setting policies	Frozen minimum wage and decreasing of night work, weekend work extra payments	no
Priority 2	Pension and health care reforms	Health care reforms should be focus on reducing future payments from government budget	yes
Priority 3	Quality of fiscal institutions and budgetary framework	Spending limits are a good instrument	yes
Priority 4	Tax reforms	Reducing the tax burden on employees	yes
Priority 5	Consolidation of public expenditures	Public expenditures are booming and it is absolutely necessary to consolidate at least in 2024	no

Slovenia

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Ensure the long-term fiscal sustainability of the healthcare and long-term care systems. Introduce compensating measures to finalise the shift from labour taxes, including by rebalancing towards more green and growth-friendly taxes.	Extremely important	Unsatisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 28 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Helpful (but not a priority)	Mixed	
CSR 3	Diversify imports of fossil fuels and reduce overall reliance on fossil fuels by accelerating the deployment of renewables, in particular by further streamlining permitting procedures, and strengthening of the electricity distribution network. Increase implementation of energy efficiency measures, notably in the building sector, electrification of the transport sector, and by ensuring that energy infrastructure and interconnections have sufficient capacity.	Important	Unsatisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Unsatisfactory
Business environment (regulation/access to markets)	Mixed
Labour market	Mixed
Innovation and skills	Mixed
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

No

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Wage bargaining and wage-setting policies	We want to achieve that the wage bargaining in the private sector is not determined by the government.	no
Priority 2	Labour market mismatch and labour mobility	Better connection between the private sector and the school system to decrease mismatch on the labour market.	no
Priority 3	R&D and Innovation	Increasing the investments in R&D, tax reliefs, incentives.	no
Priority 4	Tax reforms	To make the tax environment more predictable and simplified.	yes
Priority 5	Sector specific regulation (telecom, energy)	To help the economy in dealing with high energy prices.	yes

Spain

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Dissatisfied
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure prudent fiscal policy, in particular by limiting the growth of nationally-financed current expenditure below medium-term potential output growth, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring credible and gradual debt reduction and fiscal sustainability in the medium term through gradual consolidation, investment and reforms.	Extremely important	Unsatisfactory	
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 13 July 2021. Submit the 2021-2027 cohesion policy programming documents with a view to finalising their negotiations with the Commission and subsequently starting their implementation.	Important	Unsatisfactory	
CSR 3	Increase recycling rates to meet EU targets and promote the circular economy by enhancing coordination among all levels of government and undertaking further investment to meet separate collection of waste and recycling obligations, as well as to enhance water reuse.	Helpful (but not a priority)	Mixed	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	Reduce overall reliance on fossil fuels. Accelerate the deployment of renewable energy, with a focus on decentralised installations and self-consumption, including by further streamlining permitting procedures and improving access to the grid. Support complementary investment in storage, network infrastructure, electrification of buildings and transport, and renewable hydrogen. Expand energy interconnection capacity. Increase the availability of energy-efficient social and affordable housing, including through renovation.	Important	Satisfactory	

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	No progress
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Satisfactory
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

Labour market reform

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Tax reforms	<p>1. To Guarantee a stable legislative framework for corporate taxation.</p> <p>2. Do not increase corporate taxation as the only means to reduce public deficit but reduce public expenditure by reforming Public Administration avoiding i.e. overlapping. Increasing corporate taxation affects private investment and employment</p>	no
Priority 2	Public sector efficiency	<p>National agreement to improve the public sector efficiency.</p> <p>Better assessment and disclosure of information concerning public expenditure.</p> <p>Better management and monitoring of regional expenditure.</p>	no
Priority 3	Business Environment - Regulatory barriers to entrepreneurship	To continue the reduction of administrative burden at all levels of Administration and to make additional efforts in the implementation of the Law on market unity.	no

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 4	Active labour market policies	<ol style="list-style-type: none"> 1. To strengthen the effectiveness of employment policies in order to meet the needs of companies. 2. To reform the public employment services and promoting the public-private partnership in the management of labour market policies. 3. To link passive and active labour market policies. 	yes
Priority 5	Wage bargaining and wage-setting policies	<ol style="list-style-type: none"> 1. Do not link wages to inflation so as not to start a price-wage spiral 2. Wage growth linked to productivity and competitiveness of companies 	no

Sweden

1. National Recovery and Resilience Plans

Question 1	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
Question 2	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
Question 3	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Not confident

2. Assessment of Country Specific recommendations 2022 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	In 2023, ensure that the growth of nationally-financed current expenditure is in line with an overall neutral policy stance, taking into account continued temporary and targeted support to households and firms most vulnerable to energy price hikes and to people fleeing Ukraine. Stand ready to adjust current spending to the evolving situation. Expand public investment for the green and digital transition and for energy security, including by making use of the RRF, RePowerEU and other EU funds. For the period beyond 2023, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions. Reduce risks related to high household debt and housing market imbalances by reducing the tax deductibility of mortgage interest payments or by increasing recurrent property taxes. Stimulate investment in residential construction to ease the most urgent shortages, in particular by removing structural obstacles to construction and by ensuring the supply of buildable land. Improve the efficiency of the housing market, including by introducing reforms to the rental market.	Important	Mixed	The risks regarding the high household debt and housing- and construction markets are more connected with interest rate increases than the factors mentioned in the CSR. To decrease tax deductibility or increase property taxes now would be totally wrong. Removing structural barriers and reforming rental markets very important.
CSR 2	Proceed with the implementation of its recovery and resilience plan, in line with the milestones and targets included in the Council Implementing Decision of 4 May 2022. Swiftly finalise the negotiations with the Commission of the 2021-2027 cohesion policy programming documents with a view to starting their implementation.	Helpful (but not a priority)	Mixed	The Swedish RRP plan is mostly part and repackaging of the already approved budget.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Reduce the impact that pupils' socio-economic and migrant backgrounds have on their educational outcomes by providing equal access opportunities to schools and by addressing the shortages of qualified teachers. Develop skills of disadvantaged groups, including people from migrant backgrounds, by adapting resources and methods to their needs to help their integration into the labour market.	Extremely important	Unsatisfactory	
CSR 4	Reduce overall reliance on fossil fuels by accelerating the deployment of renewables and boosting complementary investment in network infrastructure, strengthening internal grids within the country to ensure sufficient network capacity, improving energy efficiency, and further streamlining permitting procedures in relation to renewable energy projects.	Important	Mixed	The need for structural reforms and investments on the energy market and energy transmission systems has become much more important due to the acute energy crises

3. Reform Progress in your Member State in 2022

How would you assess reform progress in 2022, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Mixed
Labour market	Unsatisfactory
Innovation and skills	Mixed
Access to finance and Financial stability	Satisfactory

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2023 Reform Barometer?

4. Reform priorities for 2023

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Need for long term strategic reforms	too much focus on short term crises. We need a long-term growth strategy	No
Priority 2	Public sector efficiency	Tax slimming local governments	No
Priority 3	Making work-pay: interplay of tax and benefit system	reduce benefit levels and reduce income taxes	no
Priority 4	Improve Schools	Safeguard quality standards	no
Priority 5	Energy	investments in energy supply and transfers	yes
Priority 6	Fight Criminality	fight everyday crime towards businesses, eg retail sector	yes