

Brussels, 9 February 2026

Ceemet Open Letter to the Informal EU Leaders' retreat of 12 February 2026

Ceemet, the European employers' organisation representing the metal, engineering and technology-based (MET) industries, welcomes the focus on Competitiveness and the improvement of the Single Market which will be discussed at the informal Leaders' retreat on 12 February 2026.

MET industries are among the first sectors and most directly affected by the current geopolitical and geoeconomic context. Global overcapacity, distortions of competition, supply chain disruptions, and volatility in energy and raw material prices are putting considerable pressure on our sectors, which are essential to Europe's industrial ecosystem, green transition, defence capability, and technological sovereignty.

In the context of current geopolitical crises, the **EU must position itself as a strong, open but assertive economic player**. This requires the ability to respond effectively to economic coercion, reduce excessive dependencies, particularly in strategic areas such as critical raw materials, energy, and key technologies, and **protect its industrial base while preserving the integrity of the single market**. In this regard, continued engagement between the EU and the UK on future cooperation options can contribute to stable, open, and mutually beneficial economic relations, supporting shared economic security objectives and reinforcing industrial competitiveness on both sides.

Protecting EU industries: The need for targeted investments and swift implementation of the strategic industrial plans

- **New EU Frameworks must remove burdens and unlock investment**

Given the instability of the geoeconomic context, the European Commission's **principle of flexibility is essential**. This principle is particularly relevant for MET companies, which are highly exposed to geopolitical shocks and rapidly changing economic trends. It is crucial to **protect critical industrial sectors** facing unfavourable competitive conditions. Reducing economic dependencies is crucial to protect European countries and strengthen their strategic autonomy. This requires **targeted investments, effective implementation of the Competitiveness Compass, and coherent strategic industrial plans**.

- **Sectoral industrial plans must deliver immediate results**

That is why Ceemet welcomes the introduction of several sectoral plans such as the one for the metal and steel¹ sector or for critical raw materials². However, it is imperative that these plans are implemented with immediate effect if we are to ensure that they have a tangible impact on businesses. In this regard, Ceemet welcomes several announcements from the Commission, such as the new Multiannual Financial Framework (MFF) with flexible procedure for investments, the Competitiveness Compass, which places competitiveness at the heart of its measures, and the simplification initiatives aimed at reducing administrative burdens and boosting investments. This is particularly the case for **European funding programmes, including Horizon Europe, which need to be significantly simplified**, with less bureaucracy and faster, more accessible procedures. Despite recent improvements, access to EU funds remains too lengthy for many companies, especially SMEs. This is the reason why the conclusions of the Draghi report are still valid, especially regarding the situation of **companies' investment capacity**. SMEs continue to face a critical investment deficit. Part of the solution lies in EU funding instruments. However, their effectiveness is still constrained by excessive complexity.

MET industries also support the ambition of the future Industrial Accelerator Act (IAA) to simplify and digitise permitting procedures, especially to speed up industrial modernisation and address permitting bottlenecks. A key area for simplification is reducing regulatory complexity, with the aim of making the EU a more attractive and competitive environment for investment.

- **Decisive investments in people are needed: upskilling and reskilling the workforce, scaling up STEM and intensifying efforts to attract talent**

Simultaneously, the EU should also invest in people by **upskilling and reskilling the workforce, investing in STEM, and attracting talent** to Europe in order to address the labour shortages and the demographic deficit that will keep on growing. Given its very concrete nature, Ceemet fully supports the establishment of a Talent Pool within the European Union, alongside the implementation of a STEM strategy and the promotion of the Union of Skills. We need a workforce with the right skills for the future, which is essential for value creation in MET industries.

Completing the Single Market: simplifying regulations, easing worker mobility and increasing digitalisation

Ceemet believes that deepening and completing the Single Market must remain an absolute strategic priority for the EU. In the social field, we would like to draw particular attention to three important elements: recognising professional qualifications, removing burdensome procedures for the temporary posting of workers, and ensuring seamless and efficient cross-border provision of industry-related services.

- **From better regulation to better enforcement**

Above all, **a regulatory environment that allows businesses to invest, grow, and even expand across borders** are prerequisites for completing the Single Market. Moreover, Ceemet insists that rather than creating new layers of regulation, priority should be given to better implementation of

¹ European Commission, “A European Steel and Metals Action Plan”, 19 March 2025

² European Commission, “RESourceEU Action Plan”, 10 December 2025

existing rules. Improving the regulatory environment also relies on **proper implementation of legislation and regulations, within a stable and more predictable regulatory framework**. The emphasis should therefore be on the **enforcement** of the social acquis. For Ceemet, it is clear that **the EU is not facing a regulatory gap, but an enforcement gap**.

- **Simplification and legal certainty for businesses**

In addition to the imperative for better implementation, it is essential to simplify the EU legislative framework whenever it is relevant. This would avoid the current – understandable – necessity to review legislation before their application dates. Indeed, the “stop the clock” and re-evaluation of the sustainability reporting of the CSRD and CS3D represented a welcome and necessary relief for companies.

In the same vein, Ceemet now urges the Council to carefully re-evaluate the **Pay Transparency Directive**. A similar “**stop the clock**” initiative to postpone the application date (7 June 2026), allowing for the re-calibration of the Directive, is **absolutely vital** for companies as well as for national administrations. In particular, all collective agreements, which are the result of collective bargaining between social partners, should obtain the presumption of gender neutrality.

- **Ex ante impact assessments and competitiveness checks**

Another major aspect of simpler but better regulation is the need to carry out **ex ante impact assessments based on rigorous and transparent criteria that fully integrate competitiveness** considerations. For example, the REFIT programme must be implemented consistently, with a **strong focus on reducing regulatory burdens and compliance costs**, particularly for SMEs. In this context, Ceemet has submitted concrete proposals for MET industries in response to the Commission's call for contributions on better regulation³. To achieve the objective of better regulation, the EU should strictly **adhere to the principles of subsidiarity and proportionality**, particularly in the field of social policy. Despite the simplification agenda, the number of implementing acts in 2025 was a new record.⁴

- **Digitalisation as a tool to complete the Single Market**

Another way to simplify procedures is to adopt digital tools. EU Member States should embrace digitalization by using the Once-Only Technical System (OOTS). The administrative burden for companies when posting their workers within the EU should be greatly reduced through digital tools such as the eDeclaration. The Digital Wallet for citizens should include the ESSPASS initiative, using existing electronic frameworks such as the European Blockchain Services Infrastructure (EBSI) for verifiable credentials, the proposed European Digital Identity (EUDI) framework and the EU Single Digital Gateway. In addition, Ceemet suggests including in its architecture the possibility to allow labour law and social security notifications.

³ Annex 1, Ceemet “Response to the call for contributions to a European Commission initiative on better regulation and simplification,” February 4, 2026 – Document attached to the email.

⁴ Gesamtmetall Brussels [@Gesamtmetall_EU], February 2, 2026, https://x.com/Gesamtmetall_EU/status/2018364144542482496

Conclusion

Overall, Ceemet stresses that a competitive and resilient Single Market can only be achieved by **refocusing on the fundamentals of the EU – free movement, better regulation, economic cooperation and competitiveness** – while ensuring strong involvement, autonomy, and capacity building of social partners in the development and implementation of European policies. This requires **targeted investments, effective implementation of the Competitiveness Compass, and a coherent and strategic industrial policy**. By strengthening its industrial policy, accelerating investment, and enhancing its strategic autonomy, the EU can improve its long-term competitiveness while preserving the European social model. Last but not least, it is important to acknowledge that adaptation to changes would be more challenging in the absence of closer collaboration with social partners. Ceemet strongly advocates for **greater respect for the autonomy of social partners, urging EU policymakers to avoid interfering with and fully respect (national) collective bargaining**.

About Ceemet

Ceemet represents the metal, engineering and technology-based (MET) industry employers in Europe, covering sectors such as metal goods, mechanical engineering, electronics, ICT, vehicle and transport manufacturing. Ceemet member organisations represent 200,000 companies, providing 16 million direct and 35 million indirect jobs in the EU. Ceemet is a recognised European social partner at the industrial sector level, promoting global competitiveness for European industry through consultation and social dialogue.

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