

Dissecting the Draghi Report

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Introduction

In September 2024 the former Italian Prime Minister Mario Draghi unveiled [a report on the future of European competitiveness](#), at the behest of the President of the European Commission, Ursula von der Leyen.

Comprising more than 400 pages and a total of 176 specific measures for 10 industrial and five horizontal sectors, the report looks set to provide [the new European Commission \(2024-2029\)](#) with a roadmap for attaining one of the main goals of this legislative term: the restoration of European competitiveness.

In general terms, Mario Draghi identifies three main areas in which the EU needs to act in order to be more competitive against an uncertain international and geopolitical backdrop:

- 1) Closing the EU's innovation gap with China and the US.
- 2) Having a decarbonisation and competitiveness plan consistent with its ambitious climate targets.
- 3) Increasing security and reducing dependencies on other countries.

As preconditions for all this, the Union must take steps (including finalising the Capital Markets Union and setting up a central fiscal capability) to finance the necessary investments and strengthen its governance, thereby enabling the decisions essential to enhancing European productivity to be taken.

With the goal of shedding light on the large number of measures being proposed, the team at the Elcano Royal Institute is contributing to the [debate on the future of European competitiveness](#) from [a Spanish perspective](#) by analysing and prioritising the 176 sector-specific measures put forward by Draghi. It is hoped that this pilot project will be regularly updated, with its findings being adjusted in accordance with political developments over the coming months and the additional input of more experts.

We classify each proposal on the basis of seven variables within its sector or subsector. This enables us to systematically identify what measures are the most pressing, important (at the European and national levels), have the greatest political viability (at the European and national levels) in light of the Mission Letters sent to the Commissioners, and the degree of public investment that is needed to put them into practice (more information in the Methodology section).

We are indebted to the cooperation of the Elcano ecosystem in making this Elcano Special report possible. If you would like to contribute to updates or have suggestions for improvement, you can reach the team at info@rielcano.org.

Key messages of the Draghi recommendations

Matrix 1: Political wins (mission letters plotted against investment)

Proposed measures classified by their presence in the College of Commissioners Mission Letters and the level of public investment required

Mission letter / Investment	Direct reference	Ambiguous	No mention	Total
None	31	34	28	93
Low	15	14	9	38
High	25	15	5	45
Total	71	63	42	176

Mission Letter (columns): whether the proposed measure is directly referenced, ambiguous or does not appear in the Mission Letters. Investment (rows): level of public investment required (none, low or high) to carry out the proposed measure.

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Despite the annual investment of €800 billion that Draghi estimates is needed in his report, 53% of the proposed measures do not need additional public investment.
- Many proposals (93) do not require funding in order to be implemented and involve regulatory changes, coordination between stakeholders and redesigning programmes already under way, among other things.
- Among the proposals that do not require additional investment, 33% (31) are Political Wins, because they are also explicitly mentioned in the Mission Letters sent to the new College of Commissioners. By contrast, 37% (34) are mentioned ambiguously and 30% (28) are not mentioned at all.
- By contrast, 26% (45) of the proposals require high levels of public investment, of which only just over a tenth (five) are not included in the new Commissioners' Mission Letters.
- Classified by sector, Investment measures emerge as the most frequent 'political wins' (eight proposals), followed by Competition policy, Defence, Energy, Governance and Pharmaceutical sector proposals (three).
- There is also a notable absence of 'political wins' in the Automotive, Space and Innovation sectors. In the case of the Automotive and Space sectors, this is mainly due to the ambiguity of the references in the Mission Letters, which could indicate the lack of a clear and specific roadmap for these sectors at the European level or the need for greater 'political courage' to accomplish the measures being proposed.

In innovation, meanwhile, the problem resides in the need for investment in the great majority of proposals (86%).

Matrix 2: Quick wins (EU viability plotted against EU urgency)

Proposed measures classified by their political viability and urgency in the EU

EU viability / EU urgency	High	Medium	Low	Total
High	28	30	9	67
Medium	16	26	13	55
Low	16	24	14	54
Total	60	80	36	176

EU viability (columns): whether the proposal has high, medium or low viability. EU urgency (rows): level of urgency for the EU (high, medium or low).

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- 16% (28) of the measures can be viewed as Quick Wins, in the sense that they are highly viable politically and are classed as the most urgent.
- 38% (67) of the proposals are deemed highly urgent and will need to be executed or at least started over the next 12 months. Not all the measures are equally feasible, however, most having a medium level of possibility (45%), followed by highly viable (34%).
- Only 5% (9) of the proposals are urgent and minimally viable, which suggests that it may be possible to obtain promising results from the timely implementation of the reforms being put forward.
- Even so, greater capital and political effort is needed in order to develop some of the ideas set out in the report to increase their political viability at the EU level.
- Two thirds of the sectors analysed by Draghi have more than one measure categorised as a Quick Win. Digitalisation stands out in particular, with five measures in this category (two in computing and artificial intelligence –AI–, two in semiconductors and one in networks) and Energy (two in electricity proposals and one in natural gas).
- By contrast, the proposals involving some horizontal sectors such as Innovation, Governance and Investment seem to be less viable and urgent than those of other sectors. Even so, it is important not to lose sight of the effort needed to put them into practice, given the way that horizontal measures facilitate the success of provisions applicable to specific industries.

Matrix 3: Cheap wins (investment plotted against EU importance)

Proposed measures classified by the level of public investment required and their importance at the European level

Investment / EU importance	None	Low	High	Total
High	29	14	25	68
Medium	34	11	11	56
Low	30	13	9	52
Total	93	38	45	176

*Investment (columns): level of public investment needed (none, low or high) to implement the proposed measure.
EU importance (rows): level of importance for the EU (high, medium or low).*

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Among the most important measures, 43% (29) do not require any investment and would constitute Cheap Wins. In other words, it is possible to make considerable progress on the European competitiveness agenda without any need to deploy new money.
- But this should not disguise the fact that a very significant part of the Draghi roadmap relies on new investment: of the most important proposals, 37% (25) are Costly Wins, accounting for 14% of all the proposals.
- Prominent among the measures classified as Cheap Wins are the horizontal ones: six Governance proposals, four Competition policy proposals and three aimed at facilitating Investment. There is also a significant number of measures in Defence and the Fundamental Raw Materials sector (three in each section). By contrast, not a single measure may be classified in this way in Innovation, Clean Technologies or Transport, given that all the high-impact measures require investment.
- By comparison, the sectors with the largest number of Costly Wins are Digitalisation (seven measures) and Energy (five), followed by Transport (three). This is hardly surprising, given their infrastructure-intensive nature and the decarbonisation and technological development challenges being faced by these sectors.

Analysis of the recommendations by sector

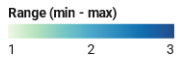
Energy: natural gas

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	Total
None	1	1	4	6	High	1	1	1	3	High	0	0	3	3
Low	0	0	0	0	Medium	0	2	1	3	Medium	3	0	0	3
High	2	1	0	3	Low	1	2	0	3	Low	3	0	0	3
Total	3	2	4	9	Total	2	5	2	9	Total	6	0	3	9

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

- In the natural gas subsector, the enhancement of joint purchasing is a Political Win for the EU. Of the seven measures proposed by Draghi, only three are explicitly mentioned in the Mission Letters –two of them ambiguously– and four receive no mention at all. Specifically, the latter four –moving away from spot-price purchasing (2), improving the quality of data and forecasts (5), limiting the possibility of speculative behaviours (6) and ensuring that price-formation mechanisms give a better reflection of costs (8)– are all measures that do not require investment. They are thus opportunities that can be seized upon during this legislative term.
- Most of the natural gas proposals have a medium level of European political viability (56%, five measures) and only one is a Quick Win that could be executed in the first year given its viability and urgency: facilitating access to competitive energy for industries exposed to international competition (9). Implementing this measure would, moreover, have significant effects on the competitiveness of energy-intensive industries.
- All the measures needing no investment have a medium or low importance, with the consequence that there is no Cheap Win in this subsector. By contrast, there are three Costly Wins that are related to the development of selective strategic import infrastructure (4), the decarbonisation of industry through the use of hydrogen and green gases (7) and access to competitive energy sources for industries exposed to international competition (9). Therefore, given the predominance of infrastructure in the sector and the cost of developing green technologies that are not yet profitable, the natural gas measures with the greatest impact at the European level are accompanied by a major financial outlay.

Energy: natural gas (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (9 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
1	Establish partnerships with reliable and diversified trade partners, also reinforcing longterm contracts.	5	5	7	2	2	2	1
2	Encourage a progressive move away from spot-linked sourcing.	6	4	4	1	2	2	1
3	Reinforce joint procurement.	4	1	2	3	1	1	1
4	Further develop selective strategic import infrastructures and improve the coordination of storage management across Europe.	3	7	1	2	3	1	3
5	Improve the quality of data and forecasts.	1	2	5	1	2	2	1
6	Limit the possibility of speculative behaviours: financial position limits, dynamic caps, an EU trading rule book and an obligation to trade in the EU.	8	3	6	1	1	1	1
7	Progressively decarbonise moving to H2 and green gases in the industry when cost-efficient.	2	8	8	3	2	2	3
8	Ensure natural gas price formation mechanisms are more cost-reflective of different sourcing conditions.	7	6	3	1	2	1	1
9	Facilitate industries exposed to international competition to get access to competitive energy sourcing.	9	9	9	3	3	3	3

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

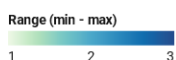
Energy: electricity proposals

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	Total
None	1	2	1	4	High	2	1	0	3	High	0	1	2	3
Low	0	1	0	1	Medium	1	1	1	3	Medium	3	0	0	3
High	4	0	0	4	Low	1	2	0	3	Low	1	0	2	3
Total	5	3	1	9	Total	4	4	1	9	Total	4	1	4	9

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The measure constituting a Political Win for the electricity subsector is the rationalisation of administrative processes for a more streamlined deployment of renewables, flexible infrastructure and grids (10). Even so, this measure suffers from very low European and national viability, impeding its implementation. Also prominent in this subsector are another four measures with explicit references and therefore benefitting from political will in the Commission, which require major investment.
- Four of the electricity measures are highly viable, and two of them –the encouragement of self-generation by energy-intensive users (14) and the reinforcement of system integration, storage and demand flexibility (15)– constitute Quick Wins. In contrast to the proposal identified as a Political Win, in this case there is considerable political viability both in the EU and in Spain.
- In terms of the investment needed, 44% (four) of the measures require high investment, but another 44% do not require any additional public investment. It is true that none of these is a Cheap Win, because they are not sufficiently important. By contrast, two Costly Wins for the competitiveness of the subsector are identified: the fostering of upgrades and investment in grids for the electrification of the economy (11) and the aforementioned reinforcement of system integration, storage and demand flexibility (15).

Energy: electricity proposals (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (9 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
10	Simplify and streamline permitting and administrative processes to accelerate renewables, flexibility infrastructures and grids deployment.	6	6	7	3	1	1	1
11	Foster network upgrades and investments in grids to address the electrification of the economy and avoid bottlenecks.	5	7	9	3	2	2	3
12	Decouple the remuneration of RES and nuclear from fossil-fuel generation through long-term Contracts (PPAs and 2-way CfDs) to limit the impact of natural gas on electricity prices.	3	3	3	1	2	3	1
13	Support PPAs for industrial users.	4	5	5	2	3	3	1
14	Encourage self-generation by energy-intensive users	7	4	4	2	3	3	1
15	Reinforce system integration, storage and demand flexibility to keep total system costs in check with a competitive uptake of renewables.	8	8	6	3	3	3	3
16	Facilitate industry exposed to international competition to get access to competitive EU energy sources.	9	9	8	2	2	2	2
17	Maintain nuclear supply and accelerate the development of 'new nuclear' (including the domestic supply chain).	1	1	1	3	2	1	3
18	Promote the role of carbon capture, utilisation and storage (CCUS) technologies as one of the tools needed to accelerate the EU's green transition.	2	2	2	3	3	2	3

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

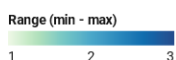
Energy: horizontal proposals

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	1	0	2	High	0	0	2	2	High	1	1	0	2
Low	0	1	0	1	Medium	1	0	0	1	Medium	0	0	1	1
High	1	0	0	1	Low	0	1	0	1	Low	1	0	0	1
Total	2	2	0	4	Total	1	1	2	4	Total	2	1	1	4

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The horizontal proposals comprise fiscal measures for reducing the cost of energy (19), avoiding distortions in the Single Market (20), fostering innovation in the sector (21) and developing the governance needed for a true Energy Union (22). Only the last of these is a Political Win, while the one referring to distortions in the Single Market could be to a lesser extent (there is an ambiguous reference in the Mission Letter).
- None of the horizontal proposals is especially urgent or viable, because they involve wholesale reforms that require time and political goodwill. Even so, they all have a certain degree of political backing at the national level.
- One of the measures, the one concerning energy taxation (19), constitutes this subsector's Cheap Win. Moreover, the proposal benefits from considerable national and European political viability; despite being a measure related to fiscal policy, this may make its implementation more straightforward.

Energy: horizontal proposals (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (4 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (4 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (4 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
19	Lower and level the energy taxation playing field and the strategic use of taxation measures to reduce the cost of energy.	2	4	3	2	3	3	1
20	Harmonise price reliefs and avoid distortions in the Single Market.	4	3	2	2	1	2	2
21	Foster innovation in the energy sector.	1	2	1	3	2	3	3
22	Develop the governance needed for a true Energy Union.	3	1	4	3	1	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

Critical raw materials: Critical Raw Materials Act

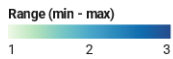
Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	1	1	3	High	1	0	1	2	High	1	0	1	2
Low	0	0	0	0	Medium	1	0	0	1	Medium	1	0	0	1
High	0	1	0	1	Low	1	0	0	1	Low	1	0	0	1
Total	1	2	1	4	Total	3	0	1	4	Total	3	0	1	4

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Only measure 24, regarding the diversification of supply chains for critical raw materials, seems to constitute a Political Win. The other measures are either mentioned ambiguously in the Mission Letters (two) –one of them with no need for investment, meaning that it may be viewed as a second-tier Political Win– or not mentioned at all (one).
- 75% (three) of the proposals have high European viability. Prominent among these as a Quick Win is the simplification of permission-granting procedures (25), which would facilitate the development and implementation of new projects within EU borders.

- The Cheap Win in this sector is again the diversification of supply chains (24), followed by greater support for strategic projects (26), which has medium-level importance. Three of the proposals referring to the Critical Raw Materials Act (CRMA) do not require investment and only one needs substantial financing, making it a Costly Win owing to its major importance: the enhancement of domestic production, processing and recycling of critical raw materials in the EU (23).

Critical raw materials: Critical Raw Materials Act (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (4 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (4 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (4 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
23	Enhance domestic production, processing and recycling in the EU along the CRM value chain.	3	3	3	2	1	1	3
24	Support the diversification of supply Chains: international strategic partnerships and strategic projects.	2	4	2	3	3	3	1
25	Simplify permitting procedures: shorten timeframes and develop national programmes	4	1	4	1	3	3	1
26	Advance the Strategic Projects.	1	2	1	2	3	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

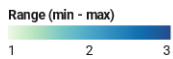
Critical raw materials: beyond the CRMA

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	4	0	5	High	0	3	1	4	High	2	1	1	4
Low	3	1	0	4	Medium	0	3	1	4	Medium	1	2	1	4
High	0	0	2	2	Low	1	2	0	3	Low	2	1	0	3
Total	4	5	2	11	Total	1	8	2	11	Total	5	4	2	11

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The Political Win among the beyond-the-CRMA proposals is the development of further critical raw materials resource diplomacy (30). This has a close connection with, and could be perceived as being a precondition to, securing the Political Win of the preceding section: the diversification of supply chains (24).
- None of the measures in this section constitute a Quick Win. Only one has high viability at the European level, while being of little urgency. By contrast, 73% (eight) of the proposals have medium viability, of which six are highly or moderately urgent (55% of the total). Hence it would be advisable to work on their maturity to enhance their viability, given that they include a global EU strategy for critical raw materials (27), the development of financial solutions (29) and of joint strategies with other partners and global buyers (31).
- Despite being a sector that requires major infrastructure and consequently investment, 45% (five) of the measures put forward do not entail additional public expenditure. Notable among them are two Cheap Wins: the development of a global strategy at the EU level encompassing the entire value chain (27), and the joint strategies with other global buyers (31). Under the heading of Costly Wins, the financial solutions supporting the critical raw materials value chain (29), despite being highly necessary, involve significant additional investment input.

Critical raw materials: beyond the CRMA (table of analysis)



▲ Proposal Nº	Proposal	Urgency for the EU <i>Ranking of sector proposals (11 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (11 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (11 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
27	Develop a comprehensive strategy at the EU level building on the CRMA from mining to recycling.	11	11	11	2	2	3	1
28	Establish a dedicated EU Critical Raw Material Platform to deliver on the EU strategy and leverage market power.	10	10	10	3	1	3	2
29	Develop financial solutions supporting the critical raw materials value chain.	9	9	9	1	2	3	3
30	Develop further critical raw materials resource diplomacy for securing supply and diversification.	4	4	4	3	2	3	1
31	Further develop joint strategies with other global buyers in the G7/OECD (e.g. Japan).	8	8	8	2	2	3	1
32	Further promote the untapped potential of domestic resources in the EU linked to better standards and integration with industry at different levels of the value chain.	5	5	5	2	2	2	2
33	Boost European excellence in research and innovation in alternative materials or processes to substitute critical raw materials in various applications.	6	6	6	1	1	2	3
34	Circularity: create a true Single Market for waste and recycling in Europe.	2	2	2	3	2	3	2
35	Accelerate the creation of a sustainable CRM market in the EU.	1	1	1	2	2	3	1
36	Develop strategic stockpiles for critical minerals in the EU.	7	7	7	3	2	3	2
37	Enhance financial market transparency for critical minerals wholesale contracts in the EU	3	3	3	2	3	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

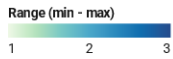
Digitalisation: high-speed/capacity broadband

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	0	0	1	1	High	2	0	0	2	High	0	0	2	2
Low	1	0	0	1	Medium	0	2	0	2	Medium	1	0	1	2
High	2	1	1	4	Low	0	0	2	2	Low	0	1	1	2
Total	3	1	2	6	Total	2	2	2	6	Total	1	1	4	6

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Of the seven measures listed for this subsector, none constitutes a Political Win. Three of the measures are explicitly mentioned in the Mission Letters, but two need considerable investment. Two others do not require investment, but the policy mandate from the President to her new College is not clear.
- Measure 43, which recommends strengthening EU-based telecom equipment and software providers, is the only Quick Win in this subsector. There is the political appetite required at the European and national levels to see this proposal through, owing to its impact on strategic autonomy, despite the fact that it requires large-scale investment.
- There are no Cheap Wins in the digitalisation and networks subsector, given the difficulty of regulating and changing the telecoms sector, but there are three Costly Wins, accounting for 43% of the proposals and requiring significant new public investment. These include reforming the EU's competition regulations to favour the Single Market for telecommunications (38), incentives for new infrastructure to replace outmoded versions (41) and, again, the strengthening of EU-based equipment and software providers (43).

Digitalisation: high-speed/capacity broadband (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (7 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (7 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (7 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
38	Reform the EU's regulation and competition stance to complete the Digital Single Market for telecommunications, harmonising rules and favouring cross-border mergers and operations	7	7	7	3	2	2	3
39	Harmonise EU-wide spectrum licensing also for satellite connectivity, and design EU-wide auctions with longer duration and fewer restrictions	1	1	2	1	2	1	1
40	Simplify and harmonise the cybersecurity and Lawful Interception regulation, and improve cooperation among EU cybersecurity agencies	4	4	1	2	1	1	1
41	Incentivise the deployment of new infrastructure, by defining cut-off dates for older technologies	6	5	5	2	1	3	3
42	Introduce 'passporting' of B2B services to enable operators in one Member State to offer services EU-wide	2	3	4	1	3	2	2
43	Strengthen EU-based telecom equipment and software providers to underpin the EU's open strategic autonomy	5	6	6	3	3	3	3
44	Coordinate technical standards for edge computing, network APIs, and IoT at the EU level	3	2	3	3	2	1	2

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

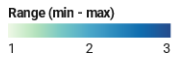
Digitalisation: computing and AI

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	1	2	4	High	2	1	0	3	High	1	0	2	3
Low	0	1	0	1	Medium	0	2	0	2	Medium	1	1	0	2
High	2	0	0	2	Low	0	1	1	2	Low	2	0	0	2
Total	3	2	2	7	Total	2	4	1	7	Total	4	1	2	7

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- 71% (five) of the computing and AI proposals are explicitly or ambiguously mentioned in the Mission Letters sent out to the new European Commission, suggesting abundant political will in the College to put them into practice. One of them in fact constitutes a Political Win, given that it does not require any investment for the time being: the creation of an EU-wide policy and residency requirements for public administrations' cloud services.
- All the measures with high viability at the European level are Quick Wins in computing and AI: first, the increase in computational capacity dedicated to the training of AI models and the creation of a computing capital framework for SMEs (45), and subsequently the identification of vertical AI applications of greatest priority for the EU (46). These are followed by four further measures, one of which is especially urgent: cooperation between the EU and the US to ensure access to cloud and data markets (51).
- Despite the major advances that are needed in this subsector, 57% (four) of its measures do not call for any investment (compared with 14% requiring low and 29% requiring high investment). Of these, EU-wide coordination and harmonisation of national AI sandbox regimes and the harmonised implementation of the GDPR (47) stands out as a Cheap Win. By contrast, two measures are highly important and require considerable funding: the aforementioned proposals 45 and 46.

Digitalisation: computing and AI (table of analysis)



▲ Proposal Nº	Proposal	Urgency for the EU <i>Ranking of sector proposals (7 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (7 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (7 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
45	Increase the computational capacity dedicated to the training and fine-tuning of AI models and create an EU-wide framework for providing 'computing capital' to innovative SMEs in the EU	7	7	7	3	3	3	3
46	Identify priority AI vertical applications for the EU, encouraging EU companies to participate in their development and deployment in key industrial sectors	6	5	6	3	3	2	3
47	Leverage the EU-wide coordination and harmonisation of national AI sandbox regimes, and ensure harmonised and simplified implementation of the GDPR	4	6	5	1	2	3	1
48	Define a single EU-wide policy and residency requirements for public administrations' cloud services, as well as EU-wide sensitive data security policies for collaboration between private cloud providers and hyperscalers	2	2	2	3	2	1	1
49	Adopt a Single Market 'passporting' regime for all EU-provided cloud services	3	4	3	2	2	1	1
50	Support data brokers as preapproved data intermediaries with regulatory clearance ensured by a Data Ombudsman	1	1	1	1	1	1	1
51	Step up cooperation between the EU and the US to ensure access to cloud and data markets	5	3	4	2	2	2	2

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

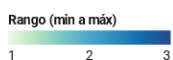
Digitalisation: semiconductors

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	Total
None	0	0	1	1	High	2	0	0	2	High	0	0	2	2
Low	1	0	0	1	Medium	0	2	0	2	Medium	1	0	1	2
High	2	1	1	4	Low	0	0	2	2	Low	0	1	1	2
Total	3	1	2	6	Total	2	2	2	6	Total	1	1	4	6

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- In semiconductors, one of the sectors critical to competitiveness and in the eye of the geopolitical storm, none of the proposed measures constitutes a Political Win. 50% (three) of the measures are explicitly included in the Mission Letters, while 67% require significant public funding.
- Two measures are Quick Wins requiring rapid action: first, the measures paving the way to the EU Semiconductor Strategy (dedicated budget, EU preference in procurement, etc) (52), and secondly, the Strategy itself (53). It is worth highlighting that two measures have medium viability and urgency (56, 57). Progress may be made on them in the months ahead to augment their viability. The viability and urgency of another two (54, 55) are somewhat limited, however, casting doubt on their potential implementation.
- As with networks, none of these measures constitutes a Cheap Win. However, two are Costly Wins, both connected to the EU Semiconductor Strategy (52 and 53). So, despite being Quick Wins, in other words requiring urgent action and with the potential of a major impact on European competitiveness, they entail considerable investment.

Digitalisation: semiconductors (table of analysis)



▲ Proposal Nº	Proposal	Urgency for the EU <i>Ranking of sector proposals (6 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (6 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (6 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
52	Enable the development of a new EU Semiconductor Strategy, by establishing an EU semiconductor budget, coordinating demand requirements, introducing EU preferences in procurement and a new 'fast-track' IPCEI	5	5	5	3	3	3	3
53	Launch the new EU Semiconductor Strategy, including: i) funding for innovation and the establishment of testing labs near existing centres of excellence; ii) grants or R&D tax incentives for fabless companies active in chips design and foundries in selected strategic segments; iii) support for the innovation potential of mainstream chips; and iv) coordinated EU efforts in back-end 3D advanced packaging, advanced materials and finishing processes	6	6	6	2	3	2	3
54	Support consolidation and leadership in manufacturing equipment in response to competitors' export restrictions	2	2	3	3	1	1	2
55	Foster a friendly EU-wide permitting regime for chips	1	3	1	1	1	1	1
56	Launch a long-term EU Quantum Chips plan	4	4	4	3	2	3	2
57	Foresee a chip sub-component of the 'Tech Skills Acquisition Programme' to attract, develop and retain world-class competencies in advanced electronics and semiconductors	3	1	2	1	2	2	3

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

Energy-intensive industries

Mission letter / Investment	Political Wins				Quick Wins				Cheap Wins					
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	1	4	0	5	High	2	2	0	4	High	2	1	1	4
Low	2	0	0	2	Medium	2	0	2	4	Medium	2	0	2	4
High	1	3	0	4	Low	1	2	0	3	Low	1	1	1	3
Total	4	7	0	11	Total	5	4	2	11	Total	5	2	4	11

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The energy-intensive industries, another of the sectors in which the competitiveness of European companies has been sharply curtailed, are the subject of 11 proposals in the Draghi Report. This will be one of the key sectors for the forthcoming Commission, as envisaged in the new Clean Industrial Deal. 36% of the proposals are explicitly referred to in the Mission Letters, while 64% are mentioned ambiguously. Of the former, only one requires no investment (Political Win), which is stimulating demand for green products with transparency and standardisation measures (65).
- Two proposals are Quick Wins in terms of the five that have high European viability: first, reinforcing the funding of the decarbonisation of energy-intensive industries, using, among others, revenue from the Emissions Trading Scheme (ETS) (62), and monitoring and improving the Carbon Border Adjustment Mechanism (CBAM) (64). Both these measures are linked to closely connected policies (CBAM being the foreign version of the European ETS system), whose effects on competitiveness with regard to foreign industries is of considerable concern to many EU actors.
- At one extreme of the energy-intensive industries sector are 36% of the proposals, which require considerable investment, and 45% at the other extreme, which can be implemented without additional capital. Among the former is a Costly Win measure, linked to proposal 9 regarding natural gas: ensuring access to competitive sources of natural gas during the transition to more decarbonised industry and to sufficient and competitive sources of green electricity and hydrogen (59). Among the latter, Cheap Wins, is increasing the coordination of EU policies impacting the sector (58) and the measure relating to the CBAM (64).

Energy-intensive industries (table of analysis)

Range (min - max)



Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (11 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (11 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (11 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
58	Increase the level of coordination across the multiple policies impacting the EU's (e.g. energy, climate, environment, trade, circularity, and growth)	5	7	5	2	2	3	1
59	Ensure access to a competitive supply of natural gas during the transition, and sufficient and competitive decarbonised electricity and clean hydrogen resources	11	10	11	2	2	3	1
60	Simplify and accelerate permitting, and reduce compliance costs, red tape and regulatory burden.	8	9	8	2	2	2	1
61	Further develop financial solutions (such as financial guarantees) for the EU's EIS to improve market financing conditions	7	6	7	2	3	2	2
62	Reinforce relevant funding to support the decarbonisation of EIS, starting by earmarking ETS revenues.	9	11	10	3	3	3	3
63	Simplify, accelerate and harmonise subsidy allocation mechanisms. Adopt common instruments across Member States, such as the European Hydrogen Bank and Carbon Contracts for Difference.	6	5	6	3	1	2	3
64	Closely monitor and improve the design of CBAM during the transition phase. Evaluate whether to postpone the reduction of free ETS allowances if CBAM's implementation is ineffective.	10	8	9	2	3	2	1
65	Stimulate demand for green products by promoting transparency and by introducing standardised low-carbon criteria for public procurement	1	2	4	3	2	1	1
66	Improve the circularity of raw materials (recycling rates, Single Market for circularity, stimulate demand where needed)	3	1	2	3	2	2	1
67	Ensure the effective design of global trade arrangements and the ability to react, where justified	2	4	3	2	2	3	1
68	Coordinate the establishment of green regional industrial clusters around the EU's EIS	4	3	1	2	1	1	1

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

Clean technologies

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	1	4	6	High	2	2	0	4	High	0	2	2	4
Low	1	0	1	2	Medium	2	1	0	3	Medium	3	0	0	3
High	2	0	0	2	Low	1	1	1	3	Low	3	0	0	3
Total	4	1	5	10	Total	5	4	1	10	Total	6	2	2	10

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- One of the measures that Draghi highlights in Clean Technologies involves introducing into public procurement and Contract for Difference auctions a minimum local quota for some products and components (70). This proposal is the sector's only Political Win. Moreover, while 40% of the Clean Technology measures are explicitly mentioned in the Mission Letters, 10% are ambiguously present and 50% are not referred to at all. This seems to suggest that work remains to be done to secure a political commitment consistent with the proposed reforms.
- In terms of EU political viability, there are positive indications in the evaluation of the measures. Only one measure has low viability, while four have medium and five high viability. Of the latter, two are Quick Wins, and should be put into practice in the coming year. These are: the full and accelerated implementation of the Net-Zero Industry Act (69) and the diversification of supply sources establishing industrial partnerships with third countries (74).
- Despite the major investments required by this sector, where the EU has lost leadership compared with other countries, 60% of the measures can be achieved without additional public funding. This contrasts with the absence of many measures in the Mission Letters and encourages the idea that progress may be achieved in the future without being hampered by the financing of the proposals. Even so, none of the investment-free initiatives is particularly important at the EU level, leaving the Clean Technologies sector devoid of clear Cheap Wins. There are, however, two Costly Wins, namely the mobilisation of public and private financing for clean tech solutions (72) and the diversification of supply sources (74).

Clean technologies (table of analysis)

Range (min - max)



# Proposal N°	Proposal	Urgency for the EU <small>Ranking of sector proposals (10 = most urgent, 1 = least urgent)</small>	Relevance for the EU <small>Ranking (10 = most relevant, 1 = least relevant)</small>	Relevance for Spain <small>Ranking (10 = most relevant, 1 = least relevant)</small>	Mission Letter <small>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</small>	Political viability EU <small>(3 = High, 2 = Medium, 1 = Low)</small>	National political viability (Spain) <small>(3 = High, 2 = Medium, 1 = Low)</small>	Public investment required <small>(3 = A lot, 2 = A little, 1 = None)</small>
69	Ensure full, accelerated implementation of the NZIA	10	9	9	3	3	2	2
70	Introduce in public procurement and in Contract for Difference auctions an explicit minimum quota for selected locally produced innovative and sustainable products and components – where needed to reach EU manufacturing targets	9	8	10	3	2	2	1
71	Promote other forms of offtake for selected locally produced technologies, such as requirements and rewards in EU and EIB financing schemes, and in national support schemes	8	3	3	1	2	2	1
72	Mobilise private and public financing for clean tech solutions, in particular by: i) streamlining and simplifying access to EU public funding, increasing the level of resources, extending the support to OPEX; ii) reinforcing dedicated financing schemes to attract private capital; iii) introducing dedicated growth equity instruments	7	10	8	3	2	1	3
73	Define clean technologies as one of the strategic priority areas of a refocused 10th EU Framework Programme for research and innovation (with prioritised access to funding for innovation, a dedicated new Competitiveness Joint Undertaking, and breakthrough innovation programmes)	6	6	2	1	3	3	2
74	Diversify supply sources and establish industrial partnerships with third countries	4	7	1	3	3	3	3
75	Develop and enforce a single model of sustainable and innovative technology certification	1	1	6	1	2	2	1
76	Optimise foreign direct investment and protect EU know-how, by leveraging knowledge transfer clauses and protecting intellectual property rights	2	4	5	1	1	1	1
77	Pool a skilled workforce, via mutual recognition of skills across the EU and facilitation of work permits to attract talents	3	5	7	2	3	3	1
78	Reinforce EU level coordination, in collaboration with industry and research centers, starting with: supply chain monitoring, definition of standards and minimal critical capacities, and coordination of R&D efforts (e.g. Joint Undertakings and IPCEIs)	5	2	4	1	3	3	1

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

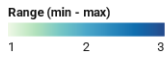
Automotive

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	0	3	0	3	High	2	2	0	4	High	1	1	2	4
Low	1	1	1	3	Medium	1	2	0	3	Medium	1	1	1	3
High	1	1	2	4	Low	1	1	1	3	Low	1	1	1	3
Total	2	5	3	10	Total	4	5	1	10	Total	3	3	4	10

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- 70% of the measures for the automotive sector enjoy a degree of political will, as evidenced by explicit or ambiguous mentions in the Mission Letters. Three of these do not require public investment: ensuring regulatory coherence and predictability for the automotive sector (81), standardisation (82) and the levelling of the global playing field (83). Implementing them will enable the competitiveness agenda to be underpinned at a political level.
- 60% of the measures have medium or low political viability in the EU. Of the measures with the greatest urgency, only two (50%) have high viability: again, regulatory coherence (81) and the previously unmentioned development of recharging and refuelling infrastructure (84). As well as putting the aforementioned measures into practice, there is a need to steer political effort and capital into raising the viability of measures located at a medium level.
- There is only one Cheap Win proposal (no investment and high importance) in the automotive sector, namely measure 81 concerning regulator convergence, which also stands out as a Political and Quick Win. By contrast, 40% of the measures require substantial public investments to revive the sector's competitiveness.

Automotive (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (10 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (10 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (10 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
79	Ensure competitive transformation costs, starting with energy sourcing and labour automation	10	6	10	1	2	1	3
80	Develop an EU industrial action plan for the automotive sector, increasing vertical and horizontal coordination	8	9	7	3	2	1	2
81	Ensure regulatory convergence, predictability and appropriate timing and consultation for upcoming regulation. Technology-neutral approach in the Fit-for-55 review.	9	8	9	2	3	2	1
82	Encourage standardisation	3	3	4	2	3	3	1
83	Set up reinforced Net-Zero Acceleration Valleys for the automotive ecosystem	2	7	1	1	1	1	3
84	Support the development of recharging and refuelling infrastructure	7	10	8	3	3	1	3
85	Ensure that a coherent digital policy is in place, encompassing the data ecosystem and AI development needs	4	2	5	1	3	3	2
86	Support common European projects in the most innovative areas	1	1	3	2	2	2	3
87	Bridge skills gaps and address reskilling needs	5	5	6	2	2	3	2
88	Level the global playing field and enhance market access	6	4	2	2	2	2	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

Defence

Mission letter / Investment	Political Wins				Quick Wins					Cheap Wins				
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	3	0	4	7	High	2	2	0	4	High	3	0	1	4
Low	0	2	0	2	Medium	0	0	3	3	Medium	3	1	0	4
High	0	1	0	1	Low	0	1	2	3	Low	1	1	0	2
Total	3	3	4	10	Total	2	3	5	10	Total	7	2	1	10

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Three of the Defence proposals may constitute Political Wins: the application of already-existing strategies and programmes for the defence industry (89), the aggregation of demand for defence assets (90) and improving the European defence industry's access to EU funding (93). Despite this, 40% (four) of the proposals do not receive any mention at all in the Mission Letters sent to the commissioners concerned.
- The search for Quick Wins again points to the implementation of EDIS and the adoption of EDIP (89), which are already-existing strategies and programmes, and the European funding of defence industry capabilities in the EU (92). Although these measures can easily be put in motion, the high percentage of measures with a low degree of viability in this sector (50%, or five) should not be overlooked, casting doubt on their trajectory in the EU. Nor is the low viability of these measures at the national level a cause of great optimism.
- There are three Cheap Wins in Defence, two of them overlapping with those already identified as Political Wins, namely measures 89 and 90. The third Cheap Win consists in ensuring that EU competition policy enables the consolidation of the defence industry (95), and is related to defence companies' lack of scale and the fragmentation of the single market. By contrast, potential EU funding for developing industrial capabilities (92) constitutes a Costly Win because, despite also being a Quick Win, it requires substantial investment.

Defence (table of analysis)

Range (min - max)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (10 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (10 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (10 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
89	Proceed with the swift implementation of the European Defence Industrial Strategy (EDIS) and the adoption of the European Defence Industry Programme (EDIP)	10	10	9	3	3	3	1
90	Substantially increase the aggregation of demand for defence assets between groups of Member States and pursue standardisation and harmonisation of defence equipment	8	8	8	3	2	1	1
91	Develop a medium-term EU Defence Industrial Policy which supports cooperation, the Europeanisation and integration of SMEs into supply chains, the structural cross-border integration of defence industrial assets	6	6	6	2	1	1	2
92	Provide EU-level funding for the development of the EU's defence industrial capacities	7	9	10	2	3	3	3
93	Improve access to finance for the European defence industry, including by removing restrictions on access to EU-funded financial instruments	9	6	7	3	2	2	1
94	Introduce a reinforced European preference principle and substantive incentive mechanisms to valorise European defence solutions and excellence over non-EU solutions	3	5	3	1	2	1	1
95	Ensure that EU competition policy enables industrial defence consolidation to reach scale, where needed	4	7	4	1	1	1	1
96	Concentrate efforts and resources on common EU R&D/R&T defence initiatives and maximise technological spillover between civil and defence innovation cycles	5	3	5	2	1	1	2
97	Deepen competences at the EU level for defence industrial policy to be reflected in the EU institutional set-up	2	4	2	1	1	1	1
98	Improve coordination and combine the acquisition of US systems by sub-groups of EU Member States	1	2	1	1	1	1	1

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

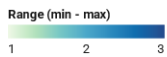
Space

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	0	5	1	6	High	2	1	1	4	High	2	2	0	4
Low	2	1	0	3	Medium	0	2	1	3	Medium	2	0	1	3
High	1	0	0	1	Low	0	1	2	3	Low	2	1	0	3
Total	3	6	1	10	Total	2	4	4	10	Total	6	3	1	10

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- In the space sector, none of Draghi's proposals constitutes a Political Win. There are 10 in total, of which three have explicit and six ambiguous references. Of the latter, five require no investment, meaning that they could become Political Wins during the legislative term.
- Two measures are Quick Wins: improving access to funding for EU SMEs, start-ups and scale-ups (103), and the establishment of a policy framework for launchers that ensures autonomous access to space (107). However, it should be borne in mind that the first measure (103) has very little viability at the national level, which could impede its adoption.
- 60% of the measures do not require investment, enabling the competitiveness of the European space sector to be improved without substantial expenditure. These include two Cheap Wins concerned with reforming the governance of European space policy to simplify it (99), and the removal of the principle whereby the European Space Agency's investment in space programmes is determined in accordance with the financial contribution of the member states (100).

Space (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (10 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (10 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (10 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
99	Reform the European space governance framework to reduce complexity, fragmentation and overlap	4	10	7	2	2	2	1
100	Remove the European Space Agency's geographical return principle to reduce the fragmentation of the EU's industrial base and modernise EU procurement rules	6	7	1	1	1	1	1
101	Establish a functioning Single Market for space, through a common EU legislative framework	7	6	6	2	1	2	1
102	Establish a multi-purpose EU Space Fund at the EU level	5	5	10	3	2	2	3
103	Improve access to finance for EU space SMEs, start-ups and scale-ups to ensure they can grow in the EU	9	9	8	3	3	1	2
104	Introduce targeted European preference rules for the space sector to support the scale up of European companies	8	4	5	2	2	1	1
105	Define joint strategic priorities for space research and innovation, to be supported by increased coordination, funding and the pooling of resources at the national and EU levels	1	3	4	2	1	1	2
106	Further exploit the synergies between space and defence industrial policies	2	2	2	2	2	1	1
107	Define an EU policy framework for launchers aiming to ensure autonomous access to space	10	8	9	3	3	3	2
108	Promote further access to international space markets	3	1	3	2	1	1	1

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

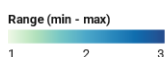
Pharmaceutical

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	3	0	0	3	High	1	2	0	3	High	1	1	1	3
Low	2	1	0	3	Medium	3	0	0	3	Medium	2	1	0	3
High	3	0	0	3	Low	1	0	2	3	Low	0	1	2	3
Total	8	1	0	9	Total	5	2	2	9	Total	3	3	3	9

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Draghi puts forward nine measures for the pharmaceutical sector. A third of these are classified as Political Wins: expediting access to markets with coordinated action (111), clear guidelines on the use of AI in the sector (112) and improving business predictability through dialogue with the relevant stakeholders (114). The notable thing about the pharmaceutical sector is that all its proposals are included in the Mission Letters (89% with explicit references and 11% mentioned ambiguously). This could be the result of the post-pandemic realisation regarding the criticality of competitiveness and economic security in the healthcare sector.
- One of the proposals scores highly on importance and viability and therefore constitutes a Quick Win: maximising the impact of the EU Health Data Space (109). It is also striking that 56% (five) of the measures have high European political viability, of which three exhibit medium levels of urgency. It is foreseeable therefore that in the near future they will also come to be classified as Quick Wins.
- The investment needs in the pharmaceutical sector are divided evenly: a third of the measures require substantial investment, a third moderate and another third little investment. Notable is the Cheap Win proposal mentioned already: expediting access to markets (111). This is an investment-free measure because it requires the coordination of the actors involved in issuing guidance, the establishment of prices, reimbursement and procurement. Meanwhile, the pharmaceutical Costly Win overlaps with the Quick Win regarding the EU Health Data Space (109), the implementation of which entails a major expenditure commitment.

Pharmaceutical (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (9 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (9 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (9 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
109	Maximise the impact of the EU Health Data Space	7	7	7	3	3	3	3
110	Streamline the set-up and management of multi-country trials in the EU	3	6	1	3	3	2	2
111	Expedite access to markets (through coordinated action by medicines agencies, HTA authorities and public payers on guidance to industry, pricing and reimbursement and procurement)	9	9	9	3	2	3	2
112	Provide clear and timely guidance on the use of AI in the lifecycle of medicines	8	3	3	3	3	3	1
113	Rapidly and fully implement the HTA regulation and ensure resources are allocated for joint clinical assessments in 2025 and an EU agency in the LT	5	8	6	3	3	3	2
114	Improve business predictability through dialogue with stakeholders to underpin EU policy-making on protection mechanisms for novel medicines	4	4	2	2	3	3	1
115	Increase and focus public R&D in the EU: innovation hubs and ERN registries	2	2	5	2	1	3	3
116	Mobilise private R&D investment in the EU and bolster the supporting environment	1	1	4	2	1	2	3
117	Develop strategic international partnerships to solidify and bolster the EU's international trade position in pharmaceuticals	6	5	8	2	2	2	2

Table: Elcano Royal Institute - Source: The future of European competitiveness. Report by Mario Draghi

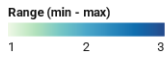
Transport

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	2	0	0	2	High	2	1	0	3	High	0	0	3	3
Low	0	1	0	1	Medium	1	2	0	3	Medium	1	0	2	3
High	2	4	0	6	Low	1	2	0	3	Low	1	1	1	3
Total	4	5	0	9	Total	4	5	0	9	Total	2	1	6	9

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The Transport recommendations included in the Draghi Report encompass considerations that are common to many subsectors or segments: rail, air, roads and waterways (inland and maritime). Two Political Wins emerge from our analysis: the removal of barriers to integration and interoperability in all segments (120), and the alignment of job profiles to the green and digital transition and the provision of greater professional mobility (126). There are another two measures explicitly mentioned in the Mission Letters and linked to high public investment that should remain in view during the new legislative term, specifically the acceleration of digitalisation in transport (121), and the launch of innovation projects with public-private and cross-border partnerships (122).
- None of Draghi's proposals suffers from low political viability in the EU (and only number 123 has low viability at the national level), which indicates their possible implementation in the future. Two of the highest rated in this area are Quick Wins and they refer to the improvement of infrastructure planning with a focus on competitiveness (118), and the removal of barriers to integration (120).
- As a sector intensive in infrastructure and consequently investment, where there is a need for progress on integration, decarbonisation and digitalisation, 67% (six) of the proposals require substantial investment (compared to 11% requiring little and 22% no investment). The investment-free measures do not have a high degree of importance, meaning that no Cheap Wins can be found in the sector, whereas there are three Costly Wins, some of them already mentioned: improvement of planning (118), mobilisation of public and private financing (119) and the introduction of mechanisms to finance decarbonisation in hard-to-abate segments (123).

Transport (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (9 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (9 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
118	Improve infrastructure planning with a primary focus on competitiveness as a complement to cohesion and an evolution towards fully multimodal transport	9	9	9	2	3	2	3
119	Mobilise public and private financing (increase public resources; and incentivize private financing)	5	7	6	2	3	2	3
120	Remove barriers to intergration and interoperability in all segments	6	5	5	2	3	2	1
121	Accelerate digitalisation through the development and enforcement of incentives and standards	4	3	3	3	2	3	3
122	Launch EU innovation projects through PPP and cross-border cooperation for decarbonisation and automatization challenges in different segments	2	4	2	3	3	3	3
123	Introduce schemes to de-risk and finance decarbonisation in hard-to-abate segments	7	8	7	2	2	2	3
124	Level the playing field for EU industries, by leveraging public procurement, FDI screening, EU export credit facility	8	6	8	2	2	2	3
125	Establish international partnerships and develop strategic infrastructure to increase global integration including in climate policy and resilience	1	1	1	1	2	2	2
126	Align job profiles to the green and digital transition and provide enhanced professional mobility	3	2	4	2	2	2	2

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

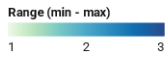
Innovation

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	Total
None	0	0	1	1	High	1	1	1	3	High	0	2	1	3
Low	2	0	1	3	Medium	1	0	1	2	Medium	0	0	2	2
High	1	2	0	3	Low	1	1	0	2	Low	1	1	0	2
Total	3	2	2	7	Total	3	2	2	7	Total	1	3	3	7

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Most of the measures to foster and encourage Innovation in the EU require public investment (43% require substantial investment, 43% some and only 14% no investment). Consequently, none of the measures constitutes a Political Win. In other words, all the proposals set out in the Mission Letters to the College of Commissioners with explicit or ambiguous references require additional investment.
- Three of the seven Innovation measures are highly politically viable at the EU level, and only one is extremely urgent: a simpler and more impactful design for the tenth EU Research and Investigation (R&I) Programme (128). There are another two measures of great urgency: the development of a regulatory ecosystem that is more favourable to innovative companies (132) and a better financing environment for disruptive innovation, start-ups and scale-ups (127). The latter has medium EU viability, making it advisable to expend effort in specifying and underpinning the reform among the European stakeholders to enhance its viability.
- The only measure that does not require additional public investment in Innovation is of little importance compared with the sector's other proposals: shared prosperity as a fundamental enabler of EU innovation, secured by means of reducing the tax burden on low- to middle-income workers, and fostering workers' mobility between companies (133). There is, however, a Costly Win, namely the improvement of the financing environment for innovation (127), an expensive measure when compared to the other important measures.

Innovation (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (7 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (7 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (7 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
127	A better financing environment for disruptive innovation, start-ups and scale-ups	7	6	7	3	2	3	3
128	Design a simpler and more impactful tenth EU R&I Framework Programme	5	4	2	2	3	2	3
129	Promote academic excellence and world-leading institutions	2	2	4	3	2	1	2
130	Invest in world-leading research and technology infrastructure	3	3	3	2	1	2	3
131	More R&I and strengthened coordination of policies through a Research and Innovation Union	4	5	5	1	3	2	2
132	A more favourable and simpler regulatory ecosystem for innovative companies	6	7	6	3	1	3	2
133	Shared prosperity as a fundamental enabler of EU innovation	1	1	1	1	3	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

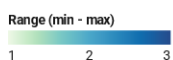
Skills

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			Total
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	
None	1	1	1	3	High	2	2	0	4	High	2	2	0	4
Low	0	3	5	8	Medium	1	3	0	4	Medium	1	3	0	4
High	1	0	0	1	Low	2	2	0	4	Low	0	3	1	4
Total	2	4	6	12	Total	5	7	0	12	Total	3	8	1	12

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Of the 12 measures put forward for Skills, 75% entail financing and 50% are absent from the European Commission’s Mission Letters. This results in only one Political Win: the improvement and harmonisation of skills certifications (136) to make them internationally recognisable. Another measure could constitute a second-tier Political Win, given that it is included ambiguously in the Mission Letters but has very low political viability at the national level and entails substantial work to secure consensus and coordination. This is the proposal to revise curriculums in the light of changing skill needs in the context of the treble transition (135).
- The EU-level viability of all the measures is positive (five high, seven medium and none low). The promotion and reform of Vocational Educational Training (VET) (139) and addressing skills shortages in critical value chains (142) are viewed as Quick Wins. Again, tackling them will be hindered by the political viability at the national level (low for VET and medium for value chains).
- Despite the investment requirements highlighted above, none of the measures constitutes a Costly Win. There are, however, two Cheap Wins that may be implemented without additional public investment, namely revising curriculums (135) and redesigning skills policies and funding programmes to give greater emphasis to such important elements as adult learning and VET and the evaluation of initiatives (137).

Skills (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (12 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (12 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (12 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
134	Collect and leverage "skills intelligence" to design skills policies	12	10	11	1	3	3	1
135	Revise curricula in light of changing skills needs	6	9	10	2	2	1	1
136	Improve and harmonise skills certifications, including those acquired through diverse learning pathways	5	8	1	3	3	2	1
137	Rethink the design, funding and implementation of skills policies: i) minimum share towards adult learning and VET, ii) focusing on strategic sectors and occupations, iii) stricter requirements for programmes, iv) evaluation and comparison of effectiveness of policy initiatives	7	11	4	1	2	2	2
138	Focus on adult learning: funding by MSs and PS	8	4	7	1	2	2	2
139	Promote and reform VET with relevant stakeholders	10	5	8	2	3	3	2
140	Attract more highly skilled workers from outside the EU (Tech Skills Acquisition Fund, scholarships, internships and graduate contracts)	9	7	2	2	3	1	2
141	Reduce misallocation of future talent	4	2	5	1	1	1	3
142	Address skills shortages in critical value chains	11	12	6	2	3	2	2
143	Promote managerial skills in SMEs: i) accreditation systems and incentives, ii) facilitate the acquisition of skills	1	1	3	1	3	2	2
144	Improve the availability and working conditions of teachers	2	3	12	3	2	2	3
145	Increasing labor market participation (early childhood education and childcare)	3	6	9	1	2	1	3

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

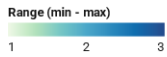
Investment

Mission letter / Investment	Political Wins				Quick Wins				Cheap Wins					
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	8	0	1	9	High	0	3	0	3	High	3	0	0	3
Low	0	0	0	0	Medium	1	1	1	3	Medium	3	0	0	3
High	0	0	0	0	Low	0	1	2	3	Low	3	0	0	3
Total	8	0	1	9	Total	1	5	3	9	Total	9	0	0	9

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Barring the issuance of a common safe asset to finance joint investment projects (154), all the Investment proposals are Political Wins. This suggests the willingness of the European Commission to implement the reforms and measures suggested by Draghi to improve European competitiveness. Despite this, only one –a European security exchange commission (150)– is highly viable at the national and EU levels, with the practical consequence that the implementation of Political Wins could take longer. Moreover, most of the Political Wins (six out of eight) enjoy Spanish support with high national viability.
- By contrast, there are no Quick Wins among the measures put forward. As already mentioned, the measures do not seem to have widespread political backing beyond the Mission Letters: 56% of the initiatives (five) have medium viability and 33% (three) have low viability. Time will therefore be required to build the political consensus needed to carry them out.
- No measure requires additional public investment, because they all entail regulatory changes or the mutualisation of funds. However, owing to the variability of their importance at the EU level, only three measures are viewed as Cheap Wins: the assessment of modifications to the Solvency II framework (149), the establishment of a European security exchange commission (150) and the assessment of the current prudential regulations (151).

Investment (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (9 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (9 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (9 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
146	Introduce a European Security Exchange Commission	3	3	3	3	2	3	1
147	Reduce regulatory fragmentation to deepen the Capital Markets Union	4	4	4	3	1	3	1
148	Encourage retail investors through the offer of second pillar pension schemes	9	6	9	3	2	1	1
149	Assess whether further changes to the capital requirements under Solvency II are warranted	8	8	8	3	2	3	1
150	Enable the European securitisation market	6	9	6	3	3	3	1
151	Assess the current prudential regulation	7	7	7	3	2	3	1
152	Complete the Banking Union	2	2	2	3	1	3	1
153	Deploy the EU budget more effectively	5	5	5	3	2	2	1
154	Issuance of a common safe asset to finance joint investment projects	1	1	1	1	1	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

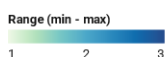
Competition policy

Mission letter / Investment	Political Wins				Quick Wins					Cheap Wins				
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	3	6	1	10	High	2	1	1	4	High	4	0	0	4
Low	0	0	0	0	Medium	0	2	1	3	Medium	3	0	0	3
High	0	0	0	0	Low	2	1	0	3	Low	3	0	0	3
Total	3	6	1	10	Total	4	4	2	10	Total	10	0	0	10

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Three of the Draghi proposals in the Competition area constitute Political Wins: the control of state aid for industrial policy (158), the reform and expansion of the IPCEIs (159), and the effective application of the Digital Markets Act and the Foreign Subsidies Regulation (161). This reflects the prospect of the paradigm shift evident in the EU's competition policy that has already been foreshadowed in recent years. Moreover, another six measures (none with associated investment) are ambiguously mentioned in the Mission Letters, so there is a likelihood that they will be gradually turned into Political Wins in the years ahead.
- 40% (four) of the measures are highly viable at the EU level, of which half are also Quick Wins owing to their perceived urgency. These comprise greater consideration to be given to innovation and competition in the future decisions of DG COMP (155), and the development and inclusion of security criteria in the competition assessments (157) as reforms that can be carried out over the next 12 months with significant dividends. It is also important to bear in mind that the implementation of 40% of the Competition measures is extremely urgent.
- None of the Competition measures requires investment, because they involve regulatory changes, which yields four measures as Cheap Wins, all of them previously cited as Political or Quick Wins: proposals 155, 157, 158 and 159. Moreover, they all score highly in terms of viability at the national level. This means that by means of implementing these four, it is possible to secure significant advances over the short term without the need for major capital expenditure (public or political).

Competition policy (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU Ranking of sector proposals (10 = most urgent, 1 = least urgent)	Relevance for the EU Ranking (10 = most relevant, 1 = least relevant)	Relevance for Spain Ranking (10 = most relevant, 1 = least relevant)	Mission Letter (3 = Explicit, 2 = Ambiguous, 1 = No mention)	Political viability EU (3 = High, 2 = Medium, 1 = Low)	National political viability (Spain) (3 = High, 2 = Medium, 1 = Low)	Public investment required (3 = A lot, 2 = A little, 1 = None)
155	Emphasize the weight of innovation and future competition in DG COMP decisions, enhancing progress in areas where the development of new technologies would make a difference for consumers	10	10	10	1	3	3	1
156	Provide clear guidance and templates on novel agreements, coordination and co-deployment between competitors	1	1	1	2	2	3	1
157	Develop security and resilience criteria by expert authorities and include them in DG COMP assessments	9	7	7	2	3	3	1
158	State aid control as a competition tool for efficiency enhancing industrial policies	8	9	9	3	1	3	1
159	Reform and expand the IPCEIs – Important Projects of Common European Interest	7	8	8	3	2	3	1
160	Incentivising the adoption of open access, interoperability, and adherence to EU standards through State aid and other competition tools	5	5	5	2	2	3	1
161	Apply effectively the new powers associated with the enforcement of the Digital Markets Act (DMA) and the Foreign Subsidies Regulation (FSR)	2	3	3	3	3	3	1
162	Reinforce ex-post versus ex-ante regulation and monitoring	3	2	2	2	3	2	1
163	Introduce a 'New Competition Tool' (NCT) in four areas	6	4	4	2	1	2	1
164	Accelerate the decision-making processes and increase the predictability of decisions.	4	6	6	2	2	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

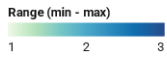
Governance: refocusing the work of the EU

Mission letter / Investment	Political Wins				Quick Wins					Cheap Wins				
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	1	1	1	3	High	0	2	0	2	High	2	0	0	2
Low	0	0	0	0	Medium	0	1	0	1	Medium	1	0	0	1
High	0	0	0	0	Low	0	0	0	0	Low	0	0	0	0
Total	1	1	1	3	Total	0	3	0	3	Total	3	0	0	3

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- The Competitiveness Coordination Framework is the Political Win identified in the Draghi proposals for refocusing the work of the EU (deeming this concept to refer to the intersection between explicit presence in the Mission Letters and the absence of public investment). Also notable is the filtering of initiatives for adoption (167), which seems to be in line with President von der Leyen’s instructions to the Commissioners, although not explicitly in the Mission Letters.
- There are no Quick Wins among these proposals, because all have medium viability at the EU level. It is worth pointing out, however, that proposals 165 and 167 are highly urgent, meaning that effort needs to be devoted to developing these ideas for their timely implementation.
- The Competitiveness Coordination Framework (165) and the EU-wide inquiry into the role of national parliaments (166) are Cheap Wins that would improve the governance of the EU for implementing Draghi’s competitiveness agenda without any need for public investment. However, measure 166 has a peculiarity in the case of Spain, because reinforcing the role of the Spanish Parliament in EU policy is liable to be impeded by the scarcity of political and human resources in the Spanish Congress and Senate in this regard.

Governance: refocusing the work of the EU (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (3 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (3 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (3 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
165	Develop a new Competitiveness Coordination Framework	5	4	3	3	2	2	1
166	Launch an EU-wide inquiry to analyse the role of national Parliaments in the scrutiny of the principle of subsidiarity. Reinforce the role and administrative capacity of national Parliaments and Member States in controlling the EU institutions' legislative activity.	3	3	4	1	2	1	1
167	Filter future initiatives up for adoption, building on proposals under 'Simplifying', such as a single methodology to assess the cost of regulation and a revamped competitiveness test.	4	2	1	2	2	2	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

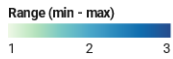
Governance: accelerating the work of the EU

Mission letter / Investment	Political Wins				EU viability / EU urgency	Quick Wins				Investment / EU importance	Cheap Wins			
	Direct reference	Ambiguous	No mention	Total		High	Medium	Low	Total		None	Low	High	Total
None	0	0	3	3	High	1	0	0	1	High	2	0	0	2
Low	0	0	0	0	Medium	0	0	0	0	Medium	0	0	0	0
High	0	0	0	0	Low	0	1	1	2	Low	1	0	0	1
Total	0	0	3	3	Total	1	1	1	3	Total	3	0	0	3

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- Given the interinstitutional content of the governance proposals to accelerate and streamline the work of the EU, none of them constitutes a Political Win. Despite not requiring investment, these measures do not rely exclusively on the Commission, and so are not present in the Mission Letters to the College of Commissioners.
- Notable as a Quick Win is establishing an Interinstitutional Pact enabling the EU to extend the use of Article 122 of the TFUE to address crises. This Pact would include specific deadlines for activating the article and provide the European Parliament with a clearer and better-defined role in the process. It is notable that the remaining measures in this segment are viewed as neither highly urgent nor viable at the EU level.
- None of the proposals require public investment, and two of them are regarded as especially important for the EU: the extended use of qualified majority voting (168) and integration based on 'concentric circles' (169). These constitute Cheap Wins that, nevertheless, require very substantial investment in terms of political capital, and so should not be regarded as easily attainable.

Governance: accelerating the work of the EU (table of analysis)



▲ Proposal N°	Proposal	Urgency for the EU <i>Ranking of sector proposals (3 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (3 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (3 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
168	Generalise Council votes subject to QMV as opposed to unanimity.	2	6	5	1	1	3	1
169	Opt for a model of deeper integration based on 'concentric circles', including enhanced cooperation or coalitions of the willing, where action at the EU level is hindered or blocked by existing procedures.	1	5	6	1	2	2	1
170	Have an Interinstitutional Pact clarify and extend the use of Article 122 TFEU to facilitate swift EU action during crises.	6	1	2	1	3	3	1

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

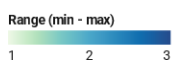
Governance: simplifying rules

Mission letter / Investment	Political Wins				Quick Wins				Cheap Wins					
	Direct reference	Ambiguous	No mention	Total	EU viability / EU urgency	High	Medium	Low	Total	Investment / EU importance	None	Low	High	Total
None	2	2	1	5	High	0	2	0	2	High	2	0	0	2
Low	0	1	0	1	Medium	1	1	0	2	Medium	1	1	0	2
High	0	0	0	0	Low	1	1	0	2	Low	2	0	0	2
Total	2	3	1	6	Total	2	4	0	6	Total	5	1	0	6

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

- In the simplification of rules, minimising the cost of transposing the rules and enhanced enforcement of single market legislation (173), and upholding proportionality for SMEs and small mid-caps in EU law (174) constitute Political Wins. It is also notable that only one of the measures requires investment, and two more are mentioned ambiguously in the Mission Letters.
- None of the measures is a Quick Win. Two thirds (four) have medium viability at the EU level, of which two are highly urgent: the single methodology for quantifying the cost of new legislation (172), and the minimisation of the cost of transposing the rules and enforcement of single market legislation (173).
- Measures 172 and 173 are the Cheap Wins in the simplification of rules, enabling a significant impact to be made as facilitators of EU competitiveness without requiring investment. Similarly, measure 174, regarding proportionality for SMEs and mid-caps, which is of moderate importance, can also be viewed as a Cheap Win, albeit to a lesser extent.

Governance: simplifying rules (table of analysis)



▲ Proposal Nº	Proposal	Urgency for the EU <i>Ranking of sector proposals (6 = most urgent, 1 = least urgent)</i>	Relevance for the EU <i>Ranking (6 = most relevant, 1 = least relevant)</i>	Relevance for Spain <i>Ranking (6 = most relevant, 1 = least relevant)</i>	Mission Letter <i>(3 = Explicit, 2 = Ambiguous, 1 = No mention)</i>	Political viability EU <i>(3 = High, 2 = Medium, 1 = Low)</i>	National political viability (Spain) <i>(3 = High, 2 = Medium, 1 = Low)</i>	Public investment required <i>(3 = A lot, 2 = A little, 1 = None)</i>
171	Streamline the EU acquis under a new Vice-President for Simplification.	1	1	1	1	3	3	1
172	Use a single, clear methodology to quantify the cost of new legislation for EU institutions, used by the Commission when making a proposal, by co-legislators when amending legislation, and by Member States when transposing it.	6	6	6	2	2	2	1
173	Minimise the cost of Member State transposition and enhance enforcement of Single Market legislation.	5	5	5	3	2	2	1
174	Uphold proportionality for SMEs and small mid-caps in EU law, including by extending mitigation measures to small mid-caps.	4	4	4	3	2	2	1
175	Review the Commission's system of Expert Groups.	2	2	2	2	2	2	1
176	Create 'EU innovation hubs' to support Member States' efforts to define sandboxes and promote their use across countries, by offering centralised information to EU businesses.	3	3	3	2	3	3	2

Table: Elcano Royal Institute • Source: The future of European competitiveness. Report by Mario Draghi

Methodology

The Elcano Royal Institute has drawn up this analysis on the basis of seven variables that are, in turn, divided into two groups.

First there are the ranking variables, where each measure is awarded a score relative to the other measures in its sector or subsector in a hierarchical way. These variables are:

- 1) Urgency in the EU: understood as the need to apply the measure in the EU over the next 12 months.
- 2) Importance of the measure for the EU.
- 3) Importance of the measure for Spain.

The second variable type encompasses four distinct variables that classify the proposals on the basis of a three-point scale. The scores awarded to this second type of variable are not relative to the other proposals within the sector or subsector but depend on an assessment of the proposal itself. First is the variable concerning presence in the Mission Letters sent to the members of the EU's College of Commissioners, which indicates whether the measure is included in the Letters with an explicit reference, an ambiguous reference or no mention at all. Secondly, two political viability variables are used, one for the EU and another for Spain. These determine whether the proposal has high, medium or low viability. Lastly, the authors used a variable that reflects the level of public investment needed to put the measure into practice: substantial, little or nothing.

To enable lessons to be drawn in a more general way, matrices have been compiled that combine the results of some of the variables used. For the **Political Wins** matrix, the Mission Letters and investment variables are used; the **Quick Wins** matrix shows how the measures fare when political viability at the EU level is plotted against the urgency variable; and, lastly, the **Cheap Wins** matrix is used to compare the level of public investment needed with the importance of the measure for the EU.

In order to ensure the comparability of the measures, the Mission Letter, investment and political viability variables required no further calculations, because in all cases the results yield either 3 points (Explicit reference / Substantial investment / High political viability), 2 points (Ambiguous reference / Little investment / Medium political viability) or 1 point (No mention / No investment / Little political viability).

This did not, however, apply to the ranking variables (urgency and importance in the EU for the Quick Wins and Cheap Wins matrices). Given that the numbering of these variables depends on the total number of measures in a sector, positioning was determined relative to the measure within the sector and they were classified as having a high, medium or low Urgency or Importance (in the EU) depending on whether they fell into the highest, medium or lowest third of the measures. For example: in the case of the Automotive sector (10 proposals), measure 80 has an urgency score of 7 points, in other words of 70%. Meanwhile, measure 137 in the Skills sector (12 proposals), also obtains an urgency score of 7 points, or 58% in the case of its sector. Thus, the Automotive proposal is located within the upper third of its sector, and has a high degree of Urgency, whereas the Skills measure is located in Medium Urgency.

To determine the scores for each of the variables and for each of the measures, the authors relied on the expert input of the Elcano ecosystem, whose participation in this joint effort is gratefully acknowledged. In cases where more than one opinion was canvassed per sector, they were synthesised using the arithmetic means of the scores and the judgement of the coordinators of this special report. Despite its methodological limitations owing to the subjectivity of the individual assessments, homogeneous criteria were used for the evaluations. The results are therefore the outcome of the joint contribution of our ecosystem.

Since this is a pilot project of collective intelligence, which it is hoped will continue into the future, readers wishing to participate in future editions or with suggestions for improvement are invited to contact the Elcano team at the following email address: info@rielcano.org.