

WRITTEN QUESTION E-7022/08
by Toine Manders (ALDE)
to the Council

Subject: Providing incentives for business investment under the EU rescue plan

In cooperation with the Council, the Commission recently launched an EU rescue plan, implementation of which is largely left to the Member States.

The financial and economic crisis confronts the EU Member States with major challenges. Private sector spending is declining and it is becoming increasingly difficult to obtain credit, putting much-needed investment in innovation, protection of the environment and reducing energy use in jeopardy. Within a European framework, Member States are making thousands of millions of euros available to tackle the crisis. In the past, however, pumping money unrestrainedly into the economy has failed to produce the desired results. Moreover, there is a difference compared with previous crises. Member States' economies are more than ever interlinked. Joint solutions which will not disrupt the internal market are therefore needed.

In the 1970s the world economy was also hit by a serious economic crisis. In the Netherlands, a decision was taken at that time to give companies (in particular small and medium-size companies) a fiscal incentive to invest in innovation, protection of the environment and reducing energy use (Investment Law (Wet InvesteringsRegeling - W.I.R.) bonus). This stimulated the demand side, resulting in growth in demand for production and consequently in employment.

1. Is the Council aware of the W.I.R., which was in force in the Netherlands between 1978 and 1984?
2. Is the Council prepared to optimise and facilitate this form of economic incentive?
3. Is the Council prepared, in consultation with the Member States, to introduce such a measure within the EU? If so, by what date? If not, why not?