

# BUSINESSEUROPE



THE PRESIDENT

Mr José Sócrates  
Prime Minister of Portugal  
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PORTUGAL

Brussels, 16 October 2007

Dear Prime Minister,

The informal summit and Inter-Governmental Conference (IGC) in Lisbon this week is a defining moment for your EU presidency and the business community has high expectations in this regard. After the institutional vacuum created by the negative French and Dutch referenda in 2005, the proposed reform treaty is a good compromise providing an improved framework for decision-making with 27 Member States. This text must be collectively endorsed during the IGC and promptly ratified by all Member States. It is crucial that after the European elections in June 2009 the next European Commission and Parliament work on the basis of this new legal framework.

BUSINESSEUROPE also expects that EU leaders will take the opportunity of a positive political momentum to send a strong signal on the future direction of EU policies. From this perspective, we welcome the Commission's contribution "The European interest: succeeding in the age of globalisation", which sets the scene for strategic discussions in advance of the Spring 2008 Council.

Let me emphasise three issues that are of particular importance for the business community at present. First of all, the EU needs to remain committed to openness in foreign trade and investment policies. BUSINESSEUROPE calls for reciprocity in negotiations with our global partners and for fair treatment of European companies in third-country markets. However, calls for reciprocity should not lead to a protectionist approach which would damage growth and jobs in Europe. Instead, the EU must seek to strengthen its ability to project its economic interests internationally through coherent strategies and a more effective pooling of resources.

Second, the EU must reinforce its capacity for reforms. The areas of action are numerous, but BUSINESSEUROPE considers that a key objective in coming months will be to integrate the concept of flexicurity as a main pillar of the Lisbon strategy. In this regard, we call for the joint recommendations of European Social Partners released on the occasion of the Tripartite Social Summit to be duly considered when common principles for flexicurity are decided in the European Council meeting in December.

Third, the EU must ensure the compatibility of its climate change policies and European competitiveness. Upcoming legislation to implement the ambitious EU energy and climate goals must help move towards a low-carbon society in the most cost-effective way, for example by promoting energy efficiency. Starting with the international climate negotiations in Bali, we also expect the EU to secure the involvement of all major industrialised and industrialising emitters in a truly global post-2012 agreement. Unilateral action would both harm competitiveness in Europe and undermine the global combat against climate change.

I wish you a fruitful summit meeting, which will solve the institutional question but should also create a sense of confidence that Europe is taking up the challenge of globalisation positively and is not pulling away from it.

Yours sincerely,



Ernest-Antoine Seillière