



LE PRESIDENT

S.E. Monsieur N. Sarkozy
Président de la République
Palais de l'Elysée
F - 75000 Paris
FRANCE

25 June 2008

Monsieur le Président,

In a few days you will be entrusted with the Presidency of the European Council. We are aware of your careful preparations for tackling a range of very important issues for citizens and companies alike.

We regard it as very important that ratification of the Lisbon Treaty continues and that this Treaty can come into force when the new Parliament and the new Commission start their work in the second half of 2009, after the elections in June 2009. We have great confidence in your capacity to identify ways and means for achieving this objective.

With that in mind, members of our organisation, which brings together forty national employers' and industrial federations in European countries, have asked me to underline that European companies are extremely concerned about the "no" vote in the Irish referendum. At a time when we have to address economic difficulties, questions linked to energy and climate and, in general, to the effects of globalisation, the European Union cannot afford to become bogged down in another long institutional crisis.

The European strategy for growth and jobs will undoubtedly be at the centre of your Presidency. By pursuing implementation of the internal market, notably for services and energy, by ensuring that priority is given to implementation of national reforms, you will contribute to lower prices, productivity and job creation. By creating a more effective and cheaper Community patent, you will encourage research and development.

The European Commission has presented a package of measures to foster the development of millions of small and medium-sized enterprises. By placing SMEs at the heart of policy-makers' concerns, you will stimulate an enormous potential for growth.

It will be during your Presidency that a new energy policy will be debated and, in all probability, decided. While we fully support the objectives that you are pursuing, we fear the negative effects that the revision of the European



greenhouse gas emission trading scheme will have for many energy-intensive businesses. The sectors in question, including chemicals, metals and many others, still have a prosperous future in Europe if they are in a position to compete with their counterparts around the world on a level playing field. It is therefore essential that they receive free emission allocations under conditions which will be the subject of delicate negotiations under your authority, and which will continue to obtain in the absence of a balanced international agreement.

It is also important to underline the essential role of the French Presidency in the European Union's trade negotiations. The Doha round should lead to an ambitious agreement for European companies. A number of bilateral agreements are currently being negotiated, notably with South Korea where the interests of European companies need to be safeguarded. The basis for any trade agreement must be the fight against all forms of protectionism and reciprocal market opening.

Whereas the rapid hike in agricultural prices and the cost of food is a concern for citizens in Europe and around the world, we think it is time to engage in a thorough reform of the Common Agricultural Policy. The agriculture sector must open up to competition, invest, innovate and participate in globalisation. Modernisation of the Common Agricultural Policy should in future also make it possible for the European budget to be a more effective instrument in a strategy for growth and innovation.

In addition, we much appreciate that you want to give priority to dealing with questions linked to immigration. Immigration will help Europe to come to grips with a demographic decline and a major shortage of skilled labour. We therefore very much favour creation of a "European blue card" which will make it easier for skilled personnel from non-EU countries to come to Europe – while respecting national immigration mechanisms.

Monsieur le Président,

European companies have demonstrated their dynamism by continuing to invest and by creating millions of new jobs. Confidence and the strength of the European economy depend on the political orientations that the European Council will follow during your Presidency.

I wish you every success for the French Presidency.

Yours sincerely,

Ernest-Antoine Seillière