

On. Cav. Lav. Dott. Silvio BERLUSCONI
Presidente del Consiglio dei Ministri
Palazzo Chigi
Piazza Colonna, 370

I - 00187 ROMA

18 November 2003

THE PRESIDENT

Dear President,

On the eve of what should be the final countdown in the IGC negotiations, UNICE would like to comment on some of the issues currently being debated by Member States which are key for business.

Business expects from a European constitution a balanced set of objectives for the EU, well-defined policies and competencies as well as efficient decision-making structures that contribute to a solid and predictable business environment.

Thanks to its observer status, UNICE has actively contributed to the work of the Convention to promote the position of business. The outcome of the Convention is a compromise achieved in a real European spirit and its overall balance should be preserved.

A high level of competitiveness is a key objective if Europe is to reach the goals set out in Lisbon and, during the Convention, UNICE devoted a great deal of effort to ensuring that a high level of competitiveness is listed as one of the EU's general objectives.

Nevertheless, UNICE is of the opinion that the Convention has not gone far enough on this topic. The current reference to a highly competitive social market economy, as enshrined in Article I-3(3) is not sufficient.

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UNICE would like to urge that the objective of safeguarding the competitiveness of the Union's industry is included in broader horizontal terms. We believe in particular that a specific reference in Part III is needed and that competitiveness must be listed as one of the first requirements to be taken into account in the definition and implementation of the EU policies and activities.

As far as other issues are concerned we would like to raise the following points:

- On services of general economic interest, UNICE opposes any horizontal law-making competencies of the European Union on the basis of Article III-6 of the draft Constitutional Treaty.
- Qualified majority voting is considered appropriate for measures in the field of the common commercial policy relating to trade negotiations on services, intellectual property rights and foreign direct investment.
- In the social policy area, UNICE would like to urge the IGC to stick to the current differentiation of the Treaty between qualified majority voting and unanimity. The four exceptions for areas subject to unanimity vote in Article III-104(3) of the draft Constitutional treaty are justified, especially since the Nice Treaty opens a possibility for the Council to decide to pass to QMV for all those issues, except for social security.
- UNICE's position on taxation is that unanimity should apply to new policy initiatives in the field of taxation, e.g. harmonisation of systems of taxations as well as environmental fiscal measures.

I trust that you will take any action you can to ensure that the outcome of the IGC reflects the concerns of European business.

UNICE will continue to follow closely the IGC negotiations and give input when appropriate.

I thank you in advance for your support on these issues.

Yours sincerely,



Jürgen Strube