



**Ms Angela Merkel**

Chancellor of the Federal Republic of Germany  
Bundeskanzleramt  
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10557 Berlin  
Germany

THE PRESIDENT

15 June 2007

Dear Chancellor,

In view of the important Summit on 21-22 June, the European business community would like to share with you its high expectations regarding the future of Europe and of the Treaty.

The German Presidency, under your leadership, has made huge progress in the last months and we are pleased that our message issued in BUSINESSEUROPE's declaration on the 50<sup>th</sup> Anniversary of the Treaty of Rome was heard. But as always, the final run-up will be decisive.

As business, we can only contemplate a success for next week's Summit whose outcome must be a clear mandate and timetable for the launch of the Intergovernmental Conference (IGC) to be held during the Portuguese Presidency.

What is key for business is that the Treaty calls for a high level of competitiveness for the EU and put at its disposal the tools it needs to achieve this objective.

On the institutional aspects, we need a strong Commission, with the right of initiative, and a more stable Presidency of the European Council. The credibility of Europe in foreign affairs requires a stronger voice. EU decision-making must be adapted to its membership.

Social partners are well placed to find flexible solutions, reconciling economic and social needs of labour market players. In this context, it is key that recognition and autonomy of social partners are enshrined in the Treaty.

In terms of economic governance, the recognition of the Eurogroup and a strengthened role for the Commission in both fiscal and structural reform surveillance is also important. Moreover, the ECB's strong institutional independence and clear mandate need to be fully confirmed.

BUSINESSEUROPE considers that, in order to create a stronger Europe capable of achieving the Lisbon goals and face challenges such as those related to population ageing, technological progress and globalisation, it is urgent and of prime importance



that the reform of the Treaties and ratification by the 27 Member States happens before the European Parliament elections in 2009.

In this context, you will find at annex a more detailed list of issues we consider important to preserve during the IGC discussions.

Yours sincerely,

Ernest-Antoine Seillière



## **BUSINESSEUROPE VIEWS ON THE CONTENT OF THE TREATY TO BE PRESERVED DURING THE INTERGOVERNMENTAL CONFERENCE**

### PART I OF THE CONSTITUTION:

- the reference to a “highly competitive” European Union. This is important, as many articles in Part III of the new Constitution (The Union policies) make a reference to the objectives of the Union. Competitiveness is additionally reiterated in many articles of Part III (e.g. art. III-209 on social policy);
- the single legal personality of the Union (I-7);
- fundamental principles of proportionality and subsidiarity and role of national parliaments as set out in Protocol 2 (I-11);
- the European Council, to be chaired by a President elected for two and a half years (I-22);
- decisions of the Council by QMV to be generalised, unless the Constitution provides otherwise, as is the case in the areas of taxation and social policy (I-23);
- a *strong Commission*, keeping the *exclusive right of initiative* (I-26);
- appointment of the Minister for Foreign Affairs, taking over the tasks of the External Relations Commissioner and the High Representative for the Common Foreign and Security Policy attached to the Council (I-28);
- the reduction of the Union’s instruments from fifteen to six and generalisation of the co-decision procedure between the European Parliament and the Council of Ministers (I-33);
- the article on the social partners clearly recognising their role as well as the special nature and autonomy of the social dialogue (art. I-48);





**PART III OF THE CONSTITUTION: POLICIES AND FUNCTIONING OF THE UNION:**

- employment policies to remain consistent with the broad economic policy guidelines;
- no extension of QMV or increase of Union competences on taxation and on the social chapter;
- provisions on economic and monetary policy (art III-177 to art III-202);
- the provision on intellectual property (Article III-176);
- the reference research and technological development (Article III-248);
- the energy policy provision (Article III-256);
- the promotion of the Open Coordination Method (Lisbon 2000) to a certain number of policies such as research and development, industry and education;

**PROTOCOLS**

- Strengthening of the role of national parliaments through the monitoring of the application of the principle of subsidiarity (adaptation of Protocol 1 and Protocol 2 on the application of the principles of subsidiarity and proportionality); In this context we would also like to reiterate our request for the promotion and insertion of better impact assessments on Protocol 2, as well as of provisions on co- and self-regulation.
- Official status for the Eurogroup (as currently provided for in Protocol 12);

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