



COMMENTS

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GLOBAL EUROPE CONFERENCE, EUROPEAN PARLIAMENT

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Thank you very much to the Greens/EFA and to Friends of the Earth Europe for having invited BUSINESSEUROPE to participate in this panel. Unfortunately today is the meeting of our organisation's board meeting so it was not possible for our Director to participate and he passes on his apologies.

BUSINESSEUROPE has been a strong supporter of the Global Europe strategy from its launch in 2006. From long before that point we had been calling for a concrete strategy to look at the external dimension of the Lisbon Agenda.

For companies this means a number of things – market access, intellectual property rights enforcement, raw materials - but what it boils down to is an effort to establish a more level playing field with the highly competitive companies in the world's high growth emerging economies.

BUSINESSEUROPE believes that open markets – in the EU and elsewhere – are the best route to prosperity – fighting protectionism at home and abroad is one of our core objectives. But Global Europe, for us, is not about forcing free trade approaches on the world's poorest countries. Global Europe is not about opening markets in the Caribbean, or Africa or the Pacific. We believe that trade liberalization would be good for the ACP countries, but are happy to support asymmetrical – that is non-reciprocal – approaches there.

What companies are concerned about however, is fair treatment compared to their competitors. They note that China is the world's second largest producer of chemicals, that India's services production has increased tenfold in ten years and that its manufacturers are playing on equal terms in global investment markets; they note that Russian companies provide 25% of the EU's supplies of both gas and oil; and that Korea produces 25% of the cars imported into the EU.



They also note that at the same time, the average tariff level in the EU is 5.2% while in China it is 10%, in Russia it is 11%, in Korea it is 12% and in India it is 14.5% and that is before you even look at tariff peaks in key sectors. They note that EU insurance companies can only own 26% of any operations they might wish to set up in India, that Korea creates its own standards for cars that keep foreign production out, that Russian export taxes on wood are causing job losses in the EU paper industry.

These are the facts we are dealing with and it is in this light that BUSINESSEUROPE supports the continuation of the Going Global Strategy. European companies are confident of their ability to compete in global markets (we are doing better, it should be noted than our US and Japanese counterparts in that regard) but the terms of the game should be even.

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