



Mr. Herman Van Rompuy

European Council
175, rue de la Loi
B-1048 Brussels
Belgium

16 May 2012

Dear President,

I am writing to support strong EU engagement in the G8 Summit on 19 May 2012 to advance global cooperation to encourage growth and jobs.

On the **economic crisis**, the EU will need to continue to demonstrate its firm commitment to carry forward policies to stabilise the Eurozone. At the heart of efforts to generate growth is the need to restore economic confidence through Member States demonstrating clear progress on fiscal consolidation as agreed in the European Fiscal Compact. As you have both also set out, this needs to be accompanied by broader measures to increase growth such as structural reforms, completion of the single market and greater use of EU funds to leverage jobs rich growth.

The G8 should develop a proactive **growth strategy** for the industrialised world where the EU could contribute directly by using EU policy levers to spur investment in growth generating activity. This includes steps to liberalise the internal market for services and stepping up investments in infrastructure and EU-wide research projects. In addition, the IMF needs to continue to work closely with the EU, in particular the Commission and the soon to be launched European Stability Mechanism, to ensure that a clear willingness of leaders to make responsible use of stability funds can play a full role in building global economic confidence and growth.

Trade is also a strong lever for growth. The G8 should develop a common position on options to relaunch multilateral trade negotiations in the WTO – notably through the possibility of sector agreements in manufacturing and services which can drive growth across industrial and services value chains. G8 countries should also stand firm in opposing protectionist measures and should join forces in challenging WTO violations by countries such as Argentina. In addition, the EU and the US should take advantage of the G8 Summit to announce the launch of Transatlantic free trade negotiations by the end of the year. This would stimulate the work of the High Level Working Group on Growth and Jobs to define a large set of issues for negotiation covering industry,



agriculture, services, intellectual property and innovation, regulatory convergence and procurement.

On **financial market reform**, the G8 should encourage cooperation on regulation to stabilise the financial sector – notably related to the harmonised implementation of Basel III capital requirements to ensure a level playing field and to the necessity to ensure access to finance for companies. Key concerns for business include the impact of Basel III rules on trade finance and export credit, on medium and long term companies financing and on access to finance for small companies.

On the **reform of international financial institutions**, BUSINESSEUROPE supports efforts to rebalance voting procedures in favour of emerging countries provided that these discussions also strengthen the voice of the EU, respecting subsidiarity principles, in institutions that determine the global framework for policies of EU competence. In addition, representational reforms should go hand in hand with improvements in the functioning and effectiveness of these institutions.

On **raw materials and energy**, the G8 should build on the solid cooperation to enforce and improve trade rules for open markets. The G8 should also ensure that transparency laws and regulations are based on multilateral instruments such as the Extractive Industry Transparency Initiative that combine improved transparency and governance with a level playing field for companies at global level. Of course, the implementation of transparency initiatives in resource holding countries remains their legal and political responsibility.

We count on you president to strongly promote the EU's interests at the G8 Summit.

Yours sincerely,

*With warm regards
Jürgen Thumann*

Jürgen R. Thumann