



Mr. Franck Riester

Minister Delegate for Foreign Trade and Economic
Attractiveness

Ministry for Europe and Foreign Affairs

27 Rue de la Convention

75015 Paris

France

7 February 2022

Dear Minister,

Over the last couple of years, the EU has launched a number of initiatives aimed at restoring a level playing field and countering market distortive practices of our trading partners – the Instrument on Foreign Subsidies, the Anti-Coercion Instrument, and the International Procurement Instrument to name the most important initiatives in this regard.

These initiatives are at different stages, and we hope to see them finalized as soon as possible. Coupled with the important work of the Chief Enforcement Officer, these measures will ensure that the EU can effectively defend itself against unfair trading practices. BusinessEurope has been supportive of these initiatives, and we have worked actively with the Commission, Parliament and Member States to ensure that the different initiatives are targeted and effective.

We need a range of initiatives to simultaneously ensure a level playing field on the internal market and increase export opportunities. To this end, European industry depends on effective and balanced trade instruments. EU unilateral measures need to go hand in hand with the EU's negotiating agenda, which aims at creating more and better global market access for European goods, services and intellectual property.

On the latter agenda, progress has been less visible in the past couple of years. The multilateral track has its evident difficulties, and while we applaud and support the EU's persistent efforts to get the multilateral trade agenda back on track, we also have to acknowledge that not everyone is doing their fair share of the lifting. Therefore, the EU needs to step up its efforts on the bilateral trade agenda, as this is an area where we ourselves can move forward with willing trading partners. In that regard, the EU needs to present itself as a reliable partner. The EU's ability to open new opportunities and markets for European exports is of strategic importance and will help strengthening the EU's resilience. This is more needed than ever in light of current geopolitical tensions.

In this respect, our main priority is to see the ratification of the trade agreement with the Mercosur-countries. This is an extremely important agreement, both because of the size of the market, but also because of the geo-political implications of tying the Mercosur-countries closer to European standards and values. Likewise, we are hoping that the trade agreements with Chile and Mexico can be put forward for ratification as soon as



possible. These agreements offer important advantages for European businesses, not least in terms of access to raw materials needed for our green transition. Business has tried to make a clear case for ratification of these agreements, not least the EU-Mercosur FTA, and we would be keen to discuss with you how we can most usefully continue to do so, as this is not only a market access issue but also a question of credibility for the EU in the Latin American region.

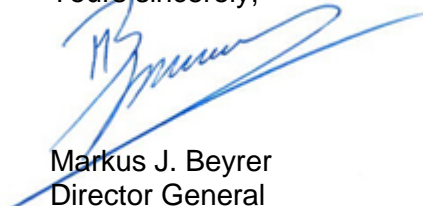
Similarly, the ongoing trade negotiations with New Zealand and Australia will hopefully soon allow us to agree on new and improved standards for trade and investment with countries founded on Western values. After the conclusion of these negotiations, they must be ratified swiftly. Economic growth is still high in Southeast Asia, and the EU's trade policy focus on this vibrant region needs to be continued, in particular by pursuing negotiations with Indonesia. The resumption of the talks with India should also be a priority. Likewise, strengthening EU-Africa relations through deeper and more comprehensive bilateral trade agreements is important for European business.

And last, but not least, we should not forget the important work undertaken in the Trade and Technology Council by the EU and US. This work has the potential of significantly improving Transatlantic trade and investment ties and contribute to a deeper Transatlantic cooperation on the numerous issues that distort market conditions for businesses on both sides of the Atlantic. In this spirit of a renewed and reinforced transatlantic relationship, we also hope to be able to resolve remaining disputes soon, in a permanent and mutually satisfactory way, building on the positive developments achieved in 2021.

By providing a platform for dialogue and regulatory cooperation, trade agreements also offer an additional opportunity for the EU to help drive up standards globally and achieve sustainability objectives in a constructive and efficient manner.

The European business community stands ready to support you in the important task of reigniting the EU's offensive trade agenda. And let me also end by saying that this will be an important element of the post-corona recovery process, both for the EU, but also for our trading partners.

Yours sincerely,



Markus J. Beyrer
Director General

A copy was also sent to Executive Vice-President Valdis Dombrovskis