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### **COMPLETE THE INSTITUTIONAL REFORM AND RESTORE CONFIDENCE IN THE ECONOMY**

*“European business is satisfied that Member States have engaged to complete the institutional reform treaty by October. Now, policy-makers have to restore confidence in the economy and focus on three key issues for European enterprises: the economic situation, international trade negotiations, and energy policy”* said Ernest-Antoine Seillière, President of BUSINESSEUROPE.

#### 1. Economy and monetary policies: restore confidence

BUSINESSEUROPE sees a fairly confident scenario for growth, averaging around 2.7% for 2007. However, in an increasingly challenging environment marked by financial market turmoil, a decelerating US economy, high oil prices and a weak dollar, the resilience of growth in Europe in 2008 and beyond will rely on decisive policy measures to restore confidence and to implement the necessary reforms.

BUSINESSEUROPE supports the ECB's handling of the financial market crisis. In coming months, the ECB will have to remain open and pragmatic in the face of unusually large economic and financial uncertainties.

#### 2. Trade negotiations: a deal must be made possible

On the Doha Round trade negotiations, BUSINESSEUROPE will not accept a failure because it is key to meet the needs of the European economy for new access to emerging countries' goods and services markets. Given how much the agricultural issues have evolved since the beginning of the Doha round – in terms of both advances in the negotiations and the new panorama presented by high prices for agricultural commodities – a deal must be made possible and therefore achieved.

#### 3. Energy: liberalise markets

The European Commission is expected to announce this week plans to liberalise energy markets. BUSINESSEUROPE is asking for improved governance of the internal energy market and recognition of the positive role of long-term contracts between producers and consumers. Also, any new unbundling measures must result in the same practical effects for private-owned and public-owned energy groups.

#### NOTE TO THE EDITOR

BUSINESSEUROPE – the Confederation of European Business represents more than 20 million small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE Members are 39 central industrial and employers' federations from 33 countries, working together to achieve growth and competitiveness in Europe.

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