



**Mr Charles Michel**  
President of the European Council  
European Council  
Rue de la Loi 175  
BE - 1049 Brussels  
BELGIUM

10 December 2019

Dear President,

## **Message to the European Council meeting on 12-13 December 2019**

### **A strong economy is key to deliver for people and protect our planet**

At the beginning of this EU cycle and of your Presidency of the European Council, I would like to bring BusinessEurope's ambitious agenda for the European Union in 2019-2024 to your attention.

BusinessEurope is the voice of small, medium-sized and large European companies from all sectors of activity. Our agenda for the new institutional cycle was developed in close coordination with BusinessEurope's 40 member federations and is set out in our flagship publication *'Prosperity. People. Planet – Three Pillars for the European Union Agenda in 2019-2024'* (at annex).

Given the slowdown of the European economy, due to declining global demand and trade tensions, we underline it is more important than ever to ensure that we have a solid economic basis to be able to reach our social and environmental goals. We count on you to ensure that European policies support companies in their efforts to fully play their role in society.

Ahead of the European Council meeting on 12-13 December 2019, we also wanted to comment on two key items on the European Council's agenda: the next Multi-annual Financial Framework and the long-term energy and climate strategy.

### **The Multi-annual Financial Framework (MFF) for 2021-2027**

A future-oriented MFF must put greater emphasis on strengthening research, development and innovation capabilities. It must facilitate digital transformation and the green transition as well as promote world class cross-border transport capabilities. These will be essential to boosting business confidence and prove that the EU is serious about supporting competitiveness, structural reforms and employment creation in a changing geopolitical environment.

Furthermore, the EU should ensure an adequate financial framework to support a more cohesive Europe and to develop cohesion policy by turning it into an integral part of a European investment strategy to support competitiveness, growth and convergence, for all European regions.

As underlined by these considerations, the overall budget needs to be of a size adequate to address our common challenges.

### **Energy and Climate Policies**

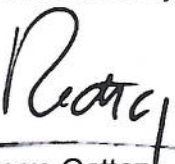
Regarding the EU long-term climate strategy, BusinessEurope would like to recall that it stands behind the EU ambition of net-zero greenhouse gas emissions (climate neutrality) to reach the objectives of the Paris agreement. This ambition needs to be closely connected to Europe's agenda on competitiveness and security of supply in order to reinforce each pillar in this triangle.

Reaching climate neutrality by around mid-century, as the IPCC Special Report and the European Commission's 2050 climate strategy consider is necessary to limit average global temperature increases to 1.5C, will fully depend on meeting a set of crucial framework conditions and related actions on both European and global level, namely:

- recognising different conditions and starting points for EU member states and boosting European coordination for cost-effective policy implementation,
- developing and deploying innovative technologies to support decarbonisation of value chains in Europe in a cost-effective way, unleashing investment through a comprehensive industrial strategy,
- ensuring large-scale availability of affordable low-carbon energy, designing an integrated value chain approach for energy supply,
- fostering adaptation of consumer behaviour and public acceptance for the low-carbon energy transition, engaging actively with citizens to gain societal acceptance,
- ensuring convergence of global climate ambitions, in particular with G20 countries, working together on updating Nationally Determined Contributions and developing common carbon mechanisms and considering additional safeguards to keep industrial production in Europe by preventing carbon and investment leakage.

European companies are committed to deliver a European Union that fosters prosperity, takes care of people, and protects planet and count on the European Council to take the necessary decisions to support companies in their efforts to do so.

Yours sincerely,



Pierre Gattaz

Enclosure: Prosperity, People, Planet