

Mr Donald Tusk
President of the European Council
Rue de la Loi/Wetstraat 175
B-1048 Bruxelles/Brussel

25 April 2019

Subject: 2019-24 EU Strategic Agenda

Dear President Tusk,

We understand that the EU Strategic Agenda for 2019 to 2024 is due to be adopted at the 20-21 June European Council. It is of paramount importance to EUROCHAMBRES that this roadmap for the next five years of EU policy enables the 20 million businesses in our pan-European network of Chambers to flourish and thus drive competitiveness, jobs and growth.

Chambers of Commerce and Industry recognise that the EU is not a separate entity: we are all part of it. This recognition is reflected in EUROCHAMBRES' ongoing engagement in shaping the EU's direction, in our network's active promotion of next month's European elections and in our extensive contribution to the discussions on the Future of Europe over the last two years.

Notwithstanding this, the 2019-24 Strategic Agenda is a key component in ensuring that the Europe we want becomes a reality. It is crucial that the EU defines an ambitious, substantive and deliverable plan that allows us to grasp opportunities and address challenges in a coherent and effective manner in this period of unparalleled demographic, environmental, technological and economic change.

As none other than the then UK Prime Minister, Margaret Thatcher, said 31 years ago this month in a speech when opening the Single Market Campaign with European Commission President, Jacques Delors, *"there is a tendency in Europe to talk in lofty tones of European Union. That may be good for the soul. But the body - Europe's firms and organisations and the people who work in them - needs something more nourishing."*

Chambers are ready, willing and able to work with the EU institutions and member states to ensure that this nourishment is provided to the business community and thereby to European citizens. Echoing the above message from 1988, we believe that the next Strategic Agenda must revolve around the pursuit of a solid, fully functioning Single Market. This would, in turn, enhance the EU's global influence, so crucial given the increasingly international dimension to many policy challenges and the rise of protectionism.

We would argue that the Single Market is, in fact, also good for the soul; we should not underestimate the dramatic effect that reducing barriers can have on our shared identity and values, on the notion of a Europe without internal borders.

Completing the internal market for products and services was already a priority for the 2014-19 Strategic Agenda, but progress has been limited, particularly in relation to services, which reveals a worrying deficit between intentions and actions. Brexit has galvanized support for the integrity of the Single Market's four freedoms across the EU27, yet such political conviction needs to be translated into more concrete benefits for businesses. This delivery gap must be addressed during the next term.

EUROCHAMBRES is of course a strong advocate for SMEs, which represent a very large majority of Chamber members. There is currently discussion among stakeholders on the need for a new EU SME policy or a revised Small Business Act. Our view is that EU SME policy must be more about process than content. In particular, a system must be put in place and rigorously applied to ensure that policy is developed from the perspective of the 99% of businesses that are micro, small or medium. Enshrining the 'think small first' principle in policy drafting, interinstitutional negotiations and implementation must be at the core of this approach.

EUROCHAMBRES considers that the following five areas should be priorities for the next five years in order for the EU to fulfil its competitive potential:

1. A solid, fully functioning Single Market, not just in the lawbooks, but in the way in which this core component of the EU is applied and delivered at national level.
2. An ambitious EU trade and investment agenda that delivers for all, is accessible even to the smallest companies, and promotes free and fair trade on the international stage.
3. A fully interconnected digital Europe, underpinned by the provision of advanced, secure and accessible digital infrastructure.
4. Europe-wide solutions to socio-economically damaging skills mismatches.
5. A framework that enables businesses to adapt to the changing climate and environment, and to drive the shift from linear production and consumption towards a circular economy.

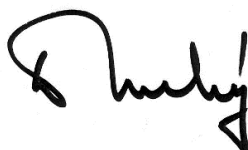
Entrepreneurs create growth and jobs, not policy-makers. But policy-makers must, through a business-minded approach, create a favourable environment for Europe's entrepreneurs. We therefore urge you to ensure that our priorities and principles are reflected in the 2019-24 EU Strategic Agenda.

We would be happy to meet you to elaborate on these points from the business community and give more specific recommendations of EU level measures for their delivery during the coming five years.

Yours sincerely,



Christoph Leitl
President EUROCHAMBRES



Vladimir Dlouhý
Co-Chair, EUROCHAMBRES
Future of Europe Committee



Pierre Goguet
Co-Chair, EUROCHAMBRES
Future of Europe Committee