



### **EU Summit should act against protectionism and strengthen the EU**

*(Brussels, 27 June 2018)*

Ahead of the June EU Summit, European business supports EU leaders in their actions against protectionism. Europe must be united, strong and smart to respond to the current challenges.

EU growth is at risk of peaking. Progress in Brexit negotiations is slow and a series of unilateral US decisions show that we could be at a turning point in the global trading system. The EU must remain committed to open, fair and rules-based trade, actively engaging in the WTO while maintaining an ambitious trade agenda and at the same time strengthening our Economic and Monetary Union to promote the interests of its companies and its citizens.

#### **Concerning EMU, BusinessEurope President Emma Marcegaglia said:**

“Investors need a safe and predictable environment based on a well-functioning Economic and Monetary Union. We count on the European Council to take concrete steps to strengthen EMU rapidly, starting with a fully-fledged Banking Union and Capital Markets Union.

We support strengthening the long-term stability of EMU and its ability to handle asymmetric shocks through access to a Euro-area stabilisation fund, fully conditional on Member States implementing structural reforms and without increasing the overall tax burden. We welcome the European Commission’s proposal for an investment protection scheme and hope, the EU will agree to build up the capacity of this in future years.”

#### **Expressing concern with the slow pace of Brexit negotiations, BusinessEurope President Emma Marcegaglia commented:**

“Until both sides agree on a legally binding text, a “cliff-edge” scenario cannot be excluded. Time is running fast and we need to have a withdrawal agreement that includes a status quo-like transition, ready for the October European Council, to allow time for ratification both in the EU and the UK. Companies are under time pressure as they need to plan ahead to safeguard investments. Certainty and a level playing field are key to ensure trade and investment remain stable.”



**Regarding trade, BusinessEurope Director General Markus J. Beyrer said:**

“We are deeply concerned about the current wave of unilateral measures that undermine the rules-based trading system and the role of the WTO. Trade and investment relations are based on trust and the recognition that both sides need to win. The additional duties on steel and aluminium imposed by the US Administration and the threat of a similar decision on cars and car parts jeopardise trade and investment flows and risk seriously hampering economic growth. We want to avoid escalation but the EU has to defend its legal rights, in line with WTO rules.”

See [here](#) BusinessEurope’s message to the June 2018 European Council meeting.

**ENDS**

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