

19 March 2019

**OPEN LETTER TO EU HEADS OF STATE OR GOVERNMENT
IN VIEW OF THE EUROPEAN COUNCIL ON 21/22 MARCH 2019**

Dear President Tusk,
Dear Members of the European Council,

Orgalim – representing Europe's technology industries – welcomes the focus on the need for an ambitious EU industrial policy. With the right policies in place, rapid technological innovation can unlock a greener, healthier and more prosperous future for the EU and its citizens.

As the global competitive landscape is being redrawn, we need political support to enable European industry's long-term global leadership. It is important that such an industrial policy takes a holistic approach in which all relevant EU policy areas are aligned. We have presented our proposals to do so here: "[2030: an industry vision for a renewed Europe](#)".

A frank debate on all EU policy areas that shape industry's competitiveness is welcome, including EU competition rules and their continued ability to prevent the distortion of competition in a changing global order. We are deeply concerned about the present global situation where Europe's technology industries are not able to compete on a fair level playing field. Action to improve the European position is needed but it must be carefully designed, justified and limited. In particular, policy-makers should not be able to overrule EU competition regulators. Politicising competition law would in our view be a strategic mistake, risking irreparable long-term damage to the competitiveness of Europe's industries. The fundamental European values of free and fair competition and market-driven innovation, reinforced with supporting trade policies, will continue to be strategic advantages in future and must not be called into question.

As outlined in our vision for 2030, a holistic industrial policy must be centered on an ambitious policy to support the digital transformation of all industrial and technological sectors. It must also include the climate agenda, where Europe's technology industries are a strategic partner on the path to global climate neutrality. Europe needs to secure first-mover advantage so that we can transform this critical societal challenge into a future driver of prosperity.

Orgalim represents Europe's technology industries: companies that innovate at the crossroads of digital and physical technology. Our industries develop and manufacture the products, systems and services that enable a prosperous and sustainable future. Ranging from large globally active corporations to regionally anchored small and medium-sized enterprises, the companies we represent directly employ 11 million people across Europe and generate an annual turnover of around €2,000 billion. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.

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To develop by 2020 a long-term EU strategy in line with the Paris Agreement, we seek your support for [Orgalim's recommendations](#), notably the following priorities:

- A timely and ambitious implementation of the EU 2030 energy and climate framework (clean energy package) and national energy and climate plans in particular
- Implementing the following no-regret options without delay as the next decade is crucial: boosting efficiency at all levels; substituting the most polluting energy carriers and opting for more electrification and alternative fuels deployment in the transport, buildings and industry sectors; more sector coupling; investing in high-tech infrastructures and massively promoting research and development
- Accelerating digitalisation as a prerequisite for achieving the climate goals
- Increasing innovation through technology neutrality
- Linking the EU roadmap with global climate efforts: implementing the Paris Agreement requires a global effort of net-zero greenhouse gas emissions by 2050. The EU should take every effort to drive the global community to this ambition. Orgalim believes in a structured dialogue with its trading partners to promote the exchange of know-how on carbon price trading systems and sequentially fair free trade of environmental goods (e.g.: avoiding carbon leakage).

At this critical juncture for Europe, it is imperative to set a strategic framework that will allow industry to help deliver a future that better serves the EU's citizens. Orgalim stands ready to play its part, and we look forward to a close dialogue during the important months ahead.

Yours faithfully,



Malte Lohan
Director General