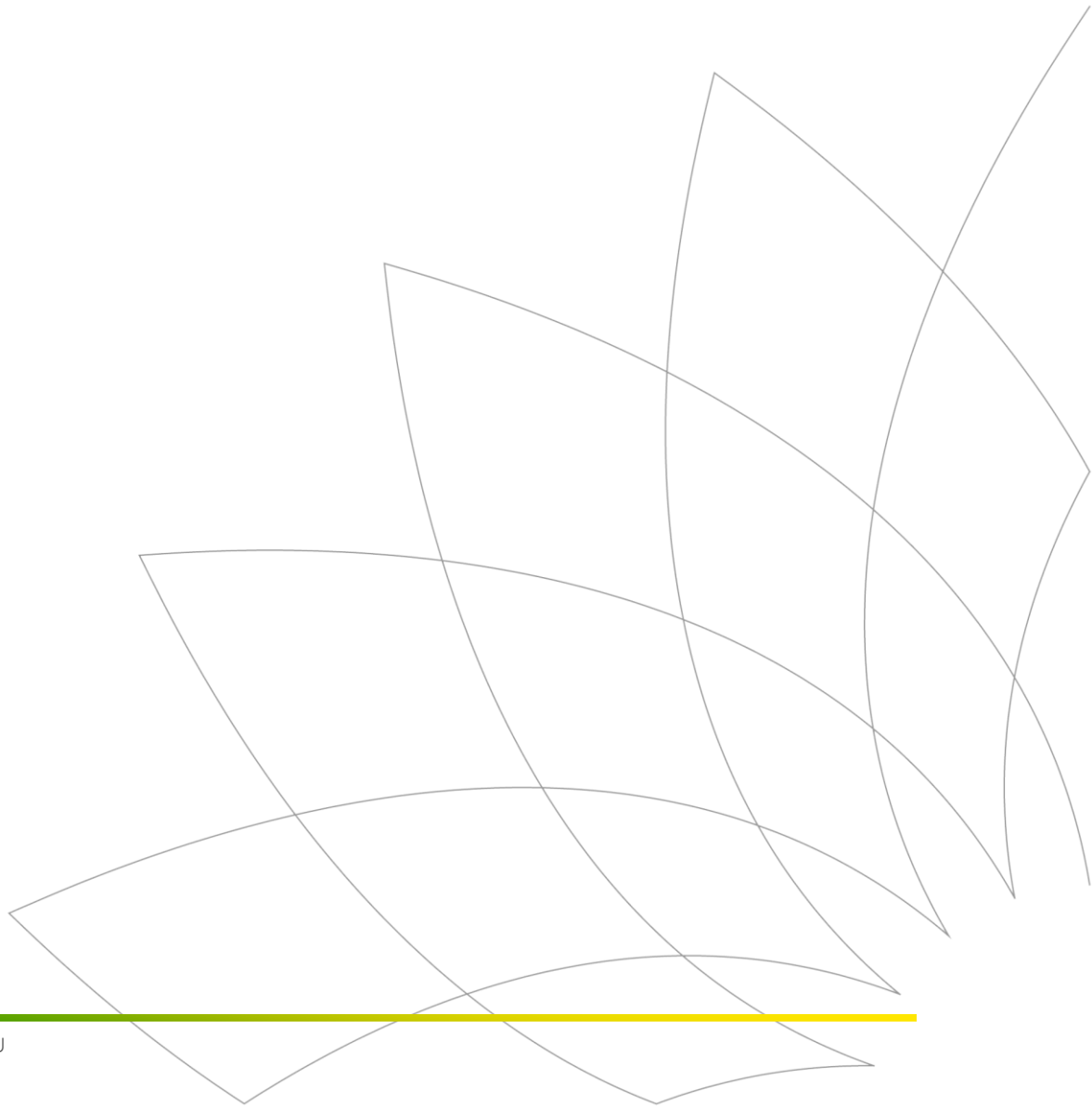


Britain in a reformed EU

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As a Swede, as a European and as Chairman of BP and Volvo, I call upon the EU's leaders to welcome the draft agreement that has been tabled by David Cameron and Donald Tusk. I believe it is important for Europe's global competitiveness and influence that Britain remains a member of a reformed European Union.

In my view, an EU with the UK as a member is good for Europe, good for Britain and good for business. Britain has played a long-standing and positive role in the EU as a force for reform and progress. The UK was a driving force behind the creation of the EU's Single Market. It was a strong champion of enlargement to Central and Eastern Europe. In these latest negotiations, Britain has pressed for changes that will lower the administrative burden on business, particularly helping small and medium sized businesses, thereby enhancing the EU as a trading power. At a time when Europe faces intense competition from both American and Asian economies, Britain's focus on the issue is welcome and the reforms are well-timed.

I would also observe that EU businesses and citizens would benefit from reforms such as these, which respect the importance of non-Eurozone countries and protect the rights of national parliaments, while at the same time focussing on ways to improve competitiveness across the EU as a whole.

European nations also need free access to the UK as a trading and business partner. As the world's fifth largest economy, Britain provides a key market for European goods and services. Internationally, Britain is a powerful player, a UN Security Council member, and commands great respect worldwide. From trade talks to issues of diplomacy and defence, Europe would be poorer without the UK. As Angela Merkel has said, "We need a strong UK with a strong voice inside the EU."

On the other hand, Britain would also be weaker without its membership of the EU. Almost half its exports go to other EU countries and while it could remain a trading partner, it would lose its voice in shaping the rules by which roughly half its trade is conducted. When it came to international negotiations, Britain would speak alone, not as part of the largest trading block in the world. From the business perspective, too, there are good reasons to prefer a cohesive Europe – one that includes the UK. It makes sense for companies to deal with one set of rules instead of 28. A cohesive EU can take a single, strategic approach to issues such as market liberalisation or infrastructure projects.

The single market has galvanised enterprise in Europe. But it needs more work, for example in creating a genuine pan-European energy market, and Britain is a great advocate of the changes that we need to see.

Businesses need certainty about regulations and governmental structures to plan with confidence and a divide in the EU would undermine that certainty and jeopardise investment at a time of global turbulence and instability. Businesses try to achieve the right balance between standardisation and entrepreneurship and Europe needs to do the same. It needs to be flexible, competitive and respectful of each member state's sovereignty at the same time as being connected by common standards and co-operation.

There is an exciting future for all of us in Europe, working together, each country with its own unique capabilities and advantages. All of Europe's citizens should be able to look forward to this future and decisions affecting them should be taken on the basis of logic and common sense, balancing national and European priorities.

The United Kingdom itself is, in many ways, a great example of four nations living and working together under a common national framework. The UK referendum is clearly a choice for its citizens. Before Britain chooses, there is a choice for Europe to make - and I hope that its leaders decide clearly in favour of a cohesive and competitive future – with the UK as a leading member of a more competitive and ultimately stronger European Union.