



World leaders urged not to build walls against inward investment

On the eve of the EU US Summit meeting between US President George Bush, the EU's Commission President Jose Manuel Barroso and Austrian Chancellor Wolfgang Schuessel on June 21, leaders of 30 of the world's largest corporations are calling for more progress towards a barrier-free transatlantic market.

Dissolving the trade and regulatory restrictions that continue to impede job creation and economic growth will be the most effective response to the recent emergence of protectionism in the US and Europe under the guise of "economic nationalism," the Chairmen and Chief Executives belonging to the Transatlantic Business Dialogue (TABD) said yesterday.

"If the Summit also succeeds in giving a new impetus to drive the WTO to an agreement in the Doha Round, it would have struck a decisive blow for free and open trade and investment," said the TABD's co-Chairman, Charles Prince, Citigroup Chairman and CEO.

The TABD submitted a package of policy recommendations to the Summit last month for strengthening transatlantic economic integration. Their proposals drive towards the steady removal of regulatory and other barriers to trade and investment in a process that will boost economic growth and job creation.

Encouraged by the TABD and other business organizations, EU/US Summits have been taking real steps in this direction in the last two years. But this year's meeting takes place against the background of Congressional moves to legislate new controls on foreign investment in the US, and attempts to create obstacles to some foreign takeovers in France and Spain.

"The huge importance to both regions of the transatlantic economic relationship is largely due to American companies in Europe and European companies in America investing in plant, equipment and jobs. Their contributions to exports and research and development strengthen the economies in which they operate," said TABD co-Chairman Martin Broughton, Chairman of British Airways. "Building walls against inward investment would be very self-defeating," he added.

The TABD recommendations include:

- Enhancing regulatory cooperation to remove barriers to trade and investment
- Smoothing the passage of goods and people while maintaining high security levels
- Enforcing intellectual property rights
- Converging transatlantic capital markets.

The proposals aim to secure even greater benefits from the transatlantic economy, which accounts for 14 million jobs in the US and Europe and is worth \$3 trillion in annual trade and investment. A recent OECD study predicts that removing the existing barriers to trade and investment between the EU and US would increase the GDP of both by 3% or more.

About the TransAtlantic Business Dialogue

Martin Broughton and Charles Prince are Co-Chairmen of the TABD.

The TABD is a group of Chairmen and Chief Executives from American and European companies operating in the United States, Europe and globally. Originally convened by the U.S. Department of Commerce and the European Commission in Seville in 1995 and relaunched in a new format in 2003, the TABD is a unique and effective mechanism for enhanced co-operation between the transatlantic business community and the governments of the US and EU.

The TABD's primary goal is to help establish a barrier free transatlantic market (BFTM) with the freest possible exchange of goods, services and capital between the EU and US. The TABD advocates global trade liberalisation as a means to greater prosperity for all countries, which in turn will help stimulate innovation, investment, economic growth, and job creation.

The TABD meets twice a year, during the annual US-EU Summit, and at the World Economic Forum's annual meeting in Davos, Switzerland.

The TABD recommendation can be accessed via www.tabd.com or you can contact;

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