

8 April 2011

José Manuel Barroso  
President  
European Commission  
1049 Brussels

**Re: Need for an Open EU Investment Policy**

Dear President Barroso,

The American Chamber of Commerce to the European Union (AmCham EU) and the U.S. Chamber of Commerce are concerned with recent views put forward by some in the European Commission and Member States that would envision a mechanism to review foreign investments into the European Union based on economic (not national security) criteria. It is our view that such a regime could create uncertainty for potential investors and have a negative impact on our continued economic interaction with Europe.

As you may be aware, aggregate US investment in Europe totalled €1.4 trillion in 2009 and currently supports more than 4.5 million direct jobs in Europe. The magnitude of this investment stems, among other things, from the generally open climate for foreign investment in the European Union, which we welcome.

As major investors in Europe, we believe that an open investment policy is vital to attract the capital needed to promote growth in Europe generally, and needed for innovative and creative enterprises (including SMEs), fuelling European competitiveness and innovation. It also plays an important part in recycling and rebalancing macro-economic imbalances that have built up in some countries and which are a focus and priority for the G-20.

Now is a particularly delicate time for the EU to raise questions about its continued openness to foreign investment, as financial markets remain fragile and again risk drying out. Europe has vast infrastructure and capital needs that will need outside financing in the years to come, as indicated in several recently published European Commission discussion papers (such as the Europe 2020 Project Bond Initiative and the Future of Transport White Paper).

Finally, preserving open markets for investments in the European Union is the best argument to encourage other economies to do the same. The notion of EU-level measures to “protect” economic security only justifies similar actions by other governments, and creates legal and economic uncertainty at a time when Europe’s financing needs are most acute.

We would like to see the Transatlantic Economic Council (TEC) reinvigorate the dialogue on investment policy, and we will shortly send in our suggestions in this regard. In the meantime, we remain at your disposal for any additional information you may require.



AMERICAN CHAMBER OF COMMERCE  
TO THE EUROPEAN UNION

SPEAKING FOR AMERICAN BUSINESS IN EUROPE



Yours sincerely,

John Vassallo  
Chair of the American Chamber of Commerce  
to the European Union

Peter H. Chase  
Senior European Representative  
U.S. Chamber of Commerce

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*AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters.*

*The U.S. Chamber of Commerce is the world's largest business federation, representing the interests of more than three million businesses and organizations of every size, sector and region in the United States.*