

Bundeskanzleramt Bundeskanzler Olaf Scholz Willy-Brandt-Straße 1 10557 Berlin

München / Paris, 30th September 2022

Franco-German Evian call

Dear Chancellor Scholz

We would like to thank you very much for your participation in the 30th Evian Franco-German Business Meeting. In these uncertain times, your presence – as well as President Macron's – was a tremendously important signal to the Business Community. All participants are joining us to express how much we appreciated these open and frank dialogues with both leaders of our countries. France and Germany share indeed not only an exemplary friendship, but a unique responsibility towards our continent and the future of European integration.

Russia's invasion of Ukraine and its impact on Europe have been at the heart of this 2022 Evian Franco-German business meeting. We, the group of 40 entrepreneurs from France and Germany, are dedicated to making Europe stronger and promoting its political priorities as well as its social and economic interests. We therefore support all political efforts to ensure Europe's sovereignty, resilience, and competitiveness.

One fact we all understood during the last crises is that our supply chains are not resilient enough and that we are too dependent on certain markets and suppliers. Businesses have the responsibility to diversify their supply chains. But our answer cannot be nationalization or decoupling from the rest of the world. Europe has always thrived on cooperation and global trade. And going forward, too, we must be a role model for a more resilient version of globalization and global collaboration.

The war in Ukraine has also been contributing to high inflation, in particular through a huge rise of energy prices, challenging the business model of many European industries. The risk of recession is looming in Europe. To limit the risk of social unrest, we as business leaders will double up our efforts to protect and develop high value jobs. The more competitive Europe remains, especially in the energy domain, the more successful our efforts will be.

The current situation shows how important it is that European States develop joint energy policies – policies promoting security of supply, sustainability, and affordability for all consumers in Europe. Indeed, the affordability of energy is key for the future competitiveness of our industries, particularly for energy-intensive ones such as the chemical industry, cement

works, steelworks or car makers and their ecosystems, but also for many SMEs¹ for which energy costs represent an unexpected new burden. Considering the current short-term dislocations of the gas and electricity markets, governments should take urgent actions to protect our industries and SMEs.

To achieve the most efficient energy system for Europe, meaning the most reliable and affordable one, it is clear to us that an integrated European system will be much more efficient than 27 energy systems we currently have in the EU member states, which are united only through the interconnections at the European level. We hence call for a European Energy Union that has the power to strengthen the sovereignty of Europe and address the various energy dimensions.

In particular, for a joint and successful energy policy (as well as Europe's great goal to reach net zero carbon emissions), modern and efficient electricity grids are critical. It is clear to us that European governments should urgently launch massive investment programs in these grids, both at national and European levels. They will be the essential backbone of our decarbonized future.

In all fields mentioned in this letter, it will be essential to increase the speed of execution. We believe that this acceleration will require much faster strategic alignment across European countries and a simplification of bureaucracy wherever possible. The Evian 2022 participants are ready to do their fair share and contribute to this important work.

Dear Chancellor, we are at an inflection point. Not just in Europe, but in the whole world. We count on your leadership – and the joint leadership of France and Germany – to re-define Europe's path into the future.

On behalf of the participants of Evian 2022.

Jim Hagemann Snabe Chairman of the Supervisory Board

Siemens AG

Patrick Pouyanné Chairman and CEO TotalEnergies

¹ Small and Medium size Enterprises