



POLISH CHAMBER OF COMMERCE

Warsaw, 9 December 2020

## **STATEMENT OF POLISH CHAMBER OF COMMERCE REGARDING THE GOVERNMENT'S ACTIONS CONCERNING THE UE BUDGET AND RECOVERY FUND**

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Polish Chamber of Commerce joined Rada Przedsiębiorczości's November 29th appeal against the plans to block the European budget, hoping that the government will respond by fundamentally rethinking their position and withdrawing the threat of veto. Sadly, despite opposing voices coming from numerous groups, the government's attitude remained unchanged and they are now headed towards confrontation with the vast majority of EU member states.

Such an attitude will not only deprive Poland, and our economy in particular, of significant additional funds for post-pandemic recovery and continued growth, but may also harm Poland by lowering our credibility as investment and commercial partners, both inside the EU and worldwide.

We feel compelled to once more speak out, because regardless of the eventual resolutions during the upcoming EU summit and possibility of achieving at least some form of compromise, the government's actions have already harmed our image and undermined the trust that other EU members had towards Poland.

Clinging stubbornly to current position will only serve to cement the progressively worsening standing of our country in Europe. More specifically, it will directly affect Poland's ability to influence EU policies in times of incredible global challenges.

We would like to point out that the negotiations on passing the EU budget are taking place in extraordinary circumstances. Europe, as well as and the rest of the world, is facing an unprecedented crisis due to the Covid-19 pandemic. Passing the new EU Multiannual Financial Framework and Recovery Fund gives hope for Europe to swiftly rise from the crisis, a hope shared by all EU citizens.

The strategy adopted by the Polish government is considered an expression of lack of solidarity and sense of responsibility for the future of Europe. Let us not forget that not so long ago we were celebrating the 40-year anniversary of the establishment of „Solidarność”. Among those claiming that the ideals of the movement are still relevant today were also representatives of the government. Unfortunately, we see no such solidarity in the government’s position towards the EU budget – not with our society, not with our businesses, not with our European partners, especially those in dire need of support in dealing with the damage done by the pandemic. Through their actions, the government destroys the solidarity within the Union. The image of Poland as a lawful, stable and investment-friendly country is crumbling before our eyes.

Polish Chamber of Commerce feels obliged to issue this warning: loss of trust in Poland will only lead to us being excluded from participating in the most important economic processes in Europe. That could result in creating an atmosphere, where Polish companies give up on further integrating into the EU market and lose their chance at being competitive from the perspective of the global economy. Already we are receiving first reports of European advanced technologies companies becoming more reluctant to enter into technological partnerships with Polish business entities. This is but one example of Poland’s decreasing credibility inside the EU.

We are especially troubled by statements, voiced also by the representatives of the current administration, questioning the importance of Poland’s membership in the EU and deprecating the role of modern economical standards and European Union’s financial contribution to developing our country.

We strongly oppose the propagation of such an image, the more so because it is plainly not true and serves the sole purpose of amplifying the positions that question the reasons behind our EU membership. It should be stressed that Polish economy has no chance of developing outside of the EU structures. In a progressively globalized economy, where the interests of global powers clash, Poland’s only chance of being a significant player is as a member of the EU. Our membership in the Union is also crucial from the standpoints of our military security, economic stability and the overall well-being of our society.

The current crisis is not a sufficient reason to realistically consider a scenario in which Poland leaves the EU. We in Polish Chamber of Commerce believe however, that the government has crossed a Rubicon, beyond which lies the process of gradual isolation of Poland in the EU, ending, in the worst-case scenario, in Polesxit. This would not only mean being cut off from the stream of EU funds, no access to the shared market or no inflow of foreign investments; It would mean, most of all, a loss of civilization potential that we owe especially to younger generations, who are today able to enjoy the freedom of movement, work or education in the EU countries. It saddens us that after 16-year membership in the EU we had to write this reminder.

Polish Chamber of Commerce's members and associated businesses appeal once more to the government to act prudently and give priority to Polish business in the EU.