



Warsaw, 17 January 2025

Invitation to informal dinner on energy prices at the margins of the January ECOFIN

Dear Colleagues,

The strength of Europe can only be preserved if there is a competitive economy. The new geopolitical reality with continuous security threats require decisive action on the economic front. With the beginning of the new institutional cycle in Brussels, there is an opportunity for strategic decisions. Without such decisions, the weakened role of the EU's economy could become a lasting trend, in turn jeopardizing the European way of life. We must not allow it to happen.

The analysis of our economy provided by Mario Draghi indicates that a lot needs to be done to improve the EU's competitiveness. Yet, the risk is that without a clear focus we will effectively achieve very little, if anything at all. For that reason, as a matter of priority, we would like to propose to focus on the most important aspects of our economy, starting with the overarching theme of excessively high energy prices. They have serious macroeconomic and structural ramifications for Europe (i.a. the energy crisis cost the Eurozone around 1% of its GDP). With prices from two to even four and a half times higher in Europe than in the US or Asia, we simply stand no chance competing with the rest of the world. This is why I would like to propose we strategize how to solve the energy conundrum Europe is facing.

In the report commissioned by the Polish presidency on the matter, the IMF indicates that by further integrating the European energy market, we could eventually achieve lower energy prices, the goals of the twin transition, as well as energy security. Integrating the market is never easy, but with energy prices dragging our economy down, we seem to have little choice. I would like to invite you for a frank exchange of views at the informal dinner on Monday to discuss how to land a genuine energy union with lower prices, cleaner energy sources, and greater security.

The second theme of our dinner will be transatlantic economic relations. We will meet exactly on the day when President Trump takes office. This is a great

occasion to reflect on this matter. Increased economic cooperation with the US in energy, trade, or defence seems to be worth exploring.

On Tuesday, we will proceed with our regular ECOFIN Council, where we will host Ukraine's finance minister, Sergii Marchenko. Having secured stable and sufficient financing for Ukraine for 2025, we will discuss how to continue strengthening Kyiv's negotiating position.

Furthermore, we will discuss how to simplify and improve the regulatory environment for businesses in Europe, based on the presidency note. We need to strive for a globally competitive business environment. Otherwise, companies and entire industries will continue to relocate from Europe. I know that this is something you very well understand, as many of you have expressed a similar concern. We will have Commissioner Valdis Dombrovskis with us, who is responsible for the simplification agenda in the Commission. The Commission would appreciate to hear about concrete examples and real business cases which disturb the freedom of doing business in Europe. The more concrete the examples you give, the more effective the Commission will be in providing solutions and simplifying the regulatory framework.

Last but not least, we will adopt fiscal structural plans and EDP recommendations for the Member states concerned.

Dear colleagues, to project a strong and competitive Europe, we must set it as our goal. I look forward to working with you for a strong Europe.

Kind regards,



Andrzej Domański
For the attention of:

ECOFIN Members
President of the European Investment Bank
President of the Eurogroup
Managing Director of the European Stability Mechanism