



UNICE

Union of Industrial and Employers' Confederations of Europe
Union des Confédérations de l'Industrie et des Employeurs d'Europe

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EUROPEAN SUMMIT ON THE EURO (2 MAY): EUROPE'S COMPANIES INVITE HEADS OF STATE AND GOVERNMENT TO SHOW DETERMINATION AND LAUNCH EMU ON A BROAD AND STABLE BASIS

On the eve of the 2 May summit, UNICE's President, François Perigot, appeals to the Heads of State and Government to show strong determination not only to secure launch of the Euro on a broad and stable basis but also to ensure its long-term success by taking advantage of the present economic upturn to pursue rationalisation of public finances and implementation of indispensable structural reforms. **The Heads of State and Government, in confirming the irreversible launch of the Euro, must now show their willingness to ensure joint management of the single currency on the basis of consistent and convergent economic policies. The importance of this major step in the process of European integration must be communicated effectively to the general public. We must also accept the consequences of the single currency in terms of the reforms necessary for efficient economies and competitive companies, both essential elements for a sound Euro.**

President Perigot wants to recall that the Euro is a great opportunity for Europe to break free from the spiral of deficits and unemployment and replace it by a virtuous circle of stability and jobs. The decision to put in place a broad Euro zone will also optimise the benefits of the single European market as well as establishing a better balance in the international monetary system. The efforts to achieve convergence and sound management, sometimes quite remarkable, that have been made in several states of the Union have already brought about an improvement in the economic situation in Europe and, hence, improved the prospects for employment.

However, President Perigot warns that, if the single currency is to live up to expectations, it is important to pursue efforts and not relax them. **UNICE calls on the participants to support this message and to publicly commit themselves to implementing these basic reforms, without which there is no future for the Euro and no future for Europe:** reduction in the excessive tax burden on companies, streamlining of public spending and greater efficiency in public services, reform of funding for social protection and greater flexibility of labour markets.

Lastly, in order to increase the confidence of the public and companies in the Euro, UNICE's President calls on the European Council to take, as quickly as possible, the necessary decisions relating to the European Central Bank. He recalls his concern that administrations, companies and

individuals should complete their preparations for the changeover to the Euro and expresses the hope that the four states of the Union which are not to join EMU in 1999 will be able to do so as rapidly as possible.

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