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UNICE: sharp increase in oil prices once more demonstrates the need to review transport and taxation policies in Europe

"The energy bills of European companies have gone sky high, thereby threatening EU competitiveness. Energy taxes in the EU are 5 times those of the US; there is a limit to the ability to pay", Mr Dirk Hudig, Secretary General of UNICE, said today following a meeting with Mrs de Palacio, Vice-President of the European Commission.

The recent increase in the price of oil products on world markets has significantly pushed up the energy bills of European companies, which have always been higher than those of American companies. In recent months the cost of road haulage in Europe has gone up by 10 to 15% as a result of the hike in oil prices.

"This development must make Finance Ministers realise how essential it is to cut energy taxes in Europe to more reasonable levels, in line with those paid by our competitors", explained Mr Hudig on the eve of the 29 September 2000 Council of European Finance Ministers.

The total logistics costs of companies represent 10% of US GNP but 12% of European GNP. "Liberalisation of rail freight transport is a fundamental requirement to improve the competitiveness of the European transport system, in terms of both costs and the quality of the service offer" said Mr Hudig as he today presented a manifesto on the rail reforms expected by companies to Commissioner de Palacio, on behalf of UNICE, EUROCHAMBRES, CEFIC, Eurocommerce and the European Shippers' Council.

"European companies want a clear deadline by which rail freight will be open to competition for both national and international transport. With a view to the upcoming conciliation between Council and EP, Europe's business organisations therefore strongly support the EP in its struggle to bring about liberalisation of the railway sector", Mr Hudig stated.

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