

27 August 2001

**BUSINESS URGES EP TO SMOOTH FISCAL PATH
TO EUROPEAN COMPANY STATUTE**

In the run-up to next week's European Parliament vote on the long-awaited European Company Statute¹ (SE), UNICE's President, Baron Georges Jacobs, has written to Members of the European Parliament, calling on them to urge the European Commission to bring forward proposals for the fiscal elements of the SE.

UNICE welcomes the creation of an appropriate SE, as it could have a significant positive impact on the competitiveness of European companies in global markets. **"Yet without appropriate accompanying fiscal measures"**, President Jacobs warned, **"the European Company Statute is unlikely to make a difference in practical terms, to the operation of pan-European companies. Its interest will therefore be limited."**

"This is why we call on the European Parliament to urge the European Commission to bring forward a proposal which should make it possible, in particular, to achieve EU-wide consolidation of taxable results as soon as possible. We would also welcome specific proposals to remove the tax obstacles to the creation of a European Company Statute through mergers", the President continued.

The ECS proposal languished in the dark until the political breakthrough at the Nice summit. European and global economic developments have increased the number of companies operating in more than one country, and business links across the world are becoming more and more complex. Europe must not miss this opportunity of helping its companies to improve their competitiveness. The stakes are too high.

UNICE welcomes the intention of the Belgian Presidency to achieve progress on this issue during its term.

The text of UNICE's open letter to MEPs is available on our website: www.unice.org

Note to the editor:

UNICE is the official voice of more than 16 million small, medium and large companies active in Europe, employing over 106 million people. Active in European affairs since 1958, UNICE's members are 33 central industrial and employers federations from 26 countries, working together to achieve growth and competitiveness in Europe.

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¹ Commonly abbreviated to SE: *Societas Europaea*