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BUSINESS MESSAGE TO THE EUROPEAN SUMMIT

Ahead of next week's European Summit in Copenhagen, the presidents of 34 industrial and employers' confederations of Europe discussed key subjects on the EU agenda. The Council of Presidents is UNICE's highest decision-making body.

The agenda included the following points: the Convention on Europe's future, the current European economic environment, EU enlargement and business priorities for 2003. Highlights of the debate were:

- **Convention on the future of Europe:** The debate around the draft constitutional treaty is welcome. Main orientations are still to be made in the coming months in order to fill the structure with substance. At this stage, the positive elements are the stress put on simplicity, transparency and efficiency as well as a strengthening of the principles of subsidiarity and proportionality. Yet, the draft lacks references to competitiveness, a free market economy and sustainable development that will have to be added. On the social dimension of Europe, the specific role of the social partners needs to be recognised and their autonomy respected. Further, there cannot be social progress without a high degree of competitiveness.
- **Economic environment:** The European economy is failing to break out of its lethargic state. Growth rates will remain low, at least throughout the first half of 2003. This is due to a high degree of uncertainty in the international economic climate. But Europe's problems are also due to the fact that our economy is unable to be its own growth motor. Whereas monetary policy has achieved its goal of maintaining price stability, governments have been lagging behind in implementing structural reforms in Member States. Since labour costs are much too high given the current slow growth in labour productivity, pursuing moderate wage policies in Member States is also necessary to redress the economy.
- **EU enlargement:** With regard to Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia, UNICE welcomes the Commission's recommendations and agrees to the process of working towards concluding accession negotiations with each of these countries, based on own merits, next week.

Finally the business leaders confirmed that the Lisbon Strategy is the right channel to enhance competitiveness and dynamism of Europe. However, the "delivery implementation gap" remains. The UNICE Lisbon strategy paper for 2003, assessing the lack of progress in implementing the Lisbon strategy, will be presented to the EU Presidency and the media following the EU Council in Copenhagen.

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 34 central industrial and employers federations from 27 countries, working together to achieve growth and competitiveness in Europe.

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