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BUSINESS VISION FOR EUROPE:
GROWTH, JOBS AND PROSPERITY ...FOR OUR FUTURE**

**Speaking notes for Ernest-Antoine Seillère
“Policy Priorities”**

I will present to you the policy priorities of European business for the coming years. Given the restricted timeframe I will only highlight the most pressing issues and refer to the technical “fiches” in our document for a more complete picture.

The UNICE business vision defines six priority areas policy-makers need to focus on:

1. We need to release entrepreneurial energy

According to World Bank data, the number of days to start a business has decreased in Europe over the last year by more than 10 days on average (34 days in 2004, compared to 45 days in 2003). This is a positive sign, but does not conceal that it still takes almost 7 times as long as in the US, and that the situation differs strongly from Member State to Member State. A good entrepreneurial climate depends on many different conditions, such as the tax burden or access to finance and the absence of red tape. Therefore the EU Entrepreneurship Action Plan needs to be taken seriously and implemented thoroughly in Member States.

2. We need a more effective and efficient environmental policy

In the past 10 years more than 500 EU environmental legislative acts have been adopted. Often these laws miss their goal of ensuring sustainable development because they lack a long-term vision and a global approach. We need, for example a revision of the current EU climate change policy, if the international political situation remains unfavorable to the Kyoto Protocol. Unilateral EU action would

seriously harm the competitive position of European industry, while it would only reduce global emissions by 1% by 2012. If we really want to tackle climate change we need to think beyond Kyoto and get the US and Russia as well as emerging economies such as China or India into the boat.

European business holds similar concerns concerning the EU Chemicals policy. A thorough assessment of *all* potential impacts of the current REACH proposal is still needed. One important element in this context is the impact assessment on REACH currently carried out by the Commission together with stakeholders - among them UNICE and important branch organisations – which is due to come out in November. This impact assessment must receive proper attention in the legislative process.

3. We need the right framework conditions to boost innovation

The Community Patent is a tool that European companies really need, besides having become a symbol for the EU capacity to reform. Therefore UNICE urges the European Council and in particular the Competitiveness Council to give economic rationality primacy over political considerations and to adopt a Patent that meets users' needs. In terms of cost and legal certainty, business calls for the single-language regime – English - to be adopted.

4. We need to make the Internal Market of more than 25 countries a reality

The Transposition deficit, especially of the “Lisbon” Directives is inacceptably high. On average, over a quarter of the Directives that form part of the Lisbon Agenda have not yet been transposed into national law. My country, for example, still lacks the transposition of key Directives like the one on “Competition in the markets for electronic communication”, on “competition in postal services”, or on “legal protection of biotechnological inventions”.

But the scope of the Internal Market also needs to be adopted to today's realities. Considering the importance of the services sector, we need the Services Directive to be adopted and implemented as a priority action in the new political cycle, based on the "country of origin" principle.

5. We need to improve the functioning of the labour market

The need for Europe to reform its sclerotic labour markets is universally recognized – what are we waiting for? Although this is mainly a task for national policy-makers, the EU can give support. UNICE pleads for a moratorium on all social legislation coming from the EU that imposes additional obligations on companies, especially given the fact that new Member States are already struggling to implement the existing *acquis communautaire*.

6. We need to foster international trade and investment

Since July, there is hope again that the DDA negotiations could be successfully concluded. However, we have a serious concern about industrial market access. Any weakening of the EU's ambitions on industrial market access could undermine industry support for the DDA process.
