

## NATIONAL LISBON INITIATIVES FOR COMPETITIVENESS

### I. BACKGROUND

*"[...] Member States are expected to adopt National Action Programmes for growth and jobs, backed up by commitments and targets, after broad discussion at a national level."*  
(Commission Communication to the Spring European Council, 2 February 2005)

The most important reforms of the Lisbon Strategy to bring Europe back on track need to be implemented at national level. But in many Member States success has so far not been satisfactory. Therefore, at the UNICE 2<sup>nd</sup> Competitiveness Day on 9 December 2004, UNICE President, Jürgen Strube, and Confindustria President, Luca Cordera di Montezemolo, called on UNICE member federations to launch *"national initiatives for competitiveness"*.

For the Spring Summit on 22 and 23 March 2005, the European business community urges all Heads of State and/or Government to commit to national action programmes, as recommended in the report by the high-level group on the mid-term review chaired by Wim Kok and called for by the European Commission in its Spring Report. The purpose is to create national ownership of the Lisbon strategy including national parliaments, social partners and the wider public in the discussions.

Against that background, UNICE national member federations have been active in committing their governments to national reform action with concrete targets and deadlines, in order to implement at national level the structural reforms that Europe needs to create growth and jobs.

The following is a compilation of these actions.

## II. UNICE MEMBER FEDERATIONS ACTIONS

### IN THE EUROPEAN UNION

#### AUSTRIA:

##### **Federation of Austrian Industry (IV)**

The federation of Austrian Industry (IV) sent a letter on 7 December 2004 to the Federal Chancellor of Austria, Mr Wolfgang Schüssel, referring to UNICE “national initiatives for competitiveness”. IV’s proposal focused on four key priorities for national Lisbon implementation in 2005: working time flexibility, renewed capital market initiative, energy charter to safeguard energy supply with competitive prices, and innovation and education initiatives. In the meantime significant measures - in line with these proposals - have been initiated in Austria (initiated or supported by the Austrian government, especially concerning working time flexibility and reform of the national education system).

#### BELGIUM :

##### **Fédération des Entreprises de Belgique (FEB)**

In December 2004, FEB published its priorities for the mid-term review of the Lisbon Strategy, criticising the non-implementation of the strategy at national level and urging a focus on more growth, jobs and productivity as a condition sine qua non for social and environmental development. FEB asks for a national action programme with concrete deadlines including structural reform measures to enhance employment and guarantee the social security in the long term. Furthermore, FEB puts forward the development of a knowledge-based society, the completion of the Internal Market and the need for a better communication on Lisbon by the media. Under this framework and on the occasion of the visit of the President of Greece to Belgium on 2 February 2005, FEB and SEV drafted a joint declaration on the same topic.

During the long and intensive discussions in the Belgian government on a common position for the mid-term review of the Lisbon Strategy, the FEB carried out strong lobbying vis-à-vis different Ministers, political parties and members of the Belgian Parliament. Furthermore, on 15<sup>th</sup> March the federation presented its annual “Lisbon Focus”: this yearly benchmarking study, based on Eurostat-figures, focuses on implementation of the Lisbon strategy in EU-25; it concludes that Belgium is still very far from its objectives compared with the best EU member states.

#### CYPRUS:

##### **Employers & Industrialists Federation Cyprus (OEB)**

As part of UNICE member federations’ initiative for national reforms, OEB sent a letter to the President of the Republic of Cyprus suggesting the adoption of a national action plan to enhance the competitiveness of the Cyprus economy. The Cyprus government will set up a specialised committee to draw up this plan.

#### CZECH REPUBLIC:

##### **Confederation of Industry of the Czech Republic (SPCR)**

The Confederation of Industry of the Czech Republic has regular contact with the Government for a dissemination campaign on the Lisbon Strategy. A Czech “road map” for the Lisbon process had been defined and a person in the government has been put in charge of the dossier. On 24 February, SPCR signed a common declaration on the mid-term review of the Lisbon strategy with LPK, LDDK, ETTK, MGYOSZ, PKPP, RUZ and ZDS. This declaration encouraged national governments to speed up the development of “national action plans” according to the recommendations of the Kok and the Commission reports.

## **DENMARK:**

### **Confederation of Danish Employers (DA)**

DA is taking part in a tripartite cooperation exercise regarding the consequences of globalisation and the formulation of follow-up policies on adult education and training, both closely linked to the Lisbon strategy.

### **Confederation of Danish Industries (DI)**

On 28 December DI published a major analysis of where Denmark needs to carry out reforms in order to face the challenges of globalisation and live up the Lisbon demands. This publication was shared with all Danish institutions and civil society.

## **ESTONIA:**

### **Estonian Employers' Confederation (ETTK)**

On 24 February 2005, in the framework of the international conference, "In the halfway of the Lisbon Process", the Estonian Employers' Confederation (plus, LPK, LDDK, PKPP, SPCR, RUZ, ZDS and MGYOSZ) signed a common declaration on the mid-term review of the Lisbon Strategy in which they encouraged national governments to speed up the development of the "national action plans" according to the recommendations of the Kok and the Commission reports. These plans should include clear definition of the priorities for the forthcoming years and would be subject to public discussion with the governments including the social partners.

## **FINLAND:**

### **Confederation of Finnish Industries (EK)**

The Finnish Government last year initiated a discussion on the national actions to be taken in the face of globalisation. This resulted in the adoption of a report setting out a globalisation agenda that corresponds to a national Lisbon Strategy. A bilateral meeting took place in January to discuss this programme with the Government and EK handed over a letter on UNICE "national initiatives for competitiveness".

## **FRANCE:**

### **Mouvement des Entreprises de France (MEDEF)**

At MEDEF's General Assembly on 18 January 2005, the French Federation expressed its five priorities for national reform: greater courage for more growth, more freedom for more jobs, a social renaissance at the heart of enterprise, less state for better business and, lastly, enterprise at the heart of society.

## **GERMANY:**

### **The Confederation of German Employers' Associations (BDA)**

BDA considers that the Lisbon strategy has to be primarily implemented at national level. All national policies have to be brought in line with the Lisbon reform agenda. BDA actively participates in this process. It has developed concepts for structural reforms in order to make Germany more competitive and is pushing for these reforms to be implemented. Moreover, BDA participates in numerous initiatives at national and European level which aim to contribute to meeting the Lisbon goals.

### **Federation of German Industries (BDI)**

BDI presented its own blueprint "For an Attractive Germany" which is an early road map for the implementation of measures central to the Lisbon strategy, i.e. structural reforms and a focus on innovation. In addition, BDI recently identified priorities for the Lisbon strategy both on the national and European level for the months to come.

## **GREECE:**

### **Federation of Greek Industries (SEV)**

Following a proposal made by SEV, the Greek government has declared 2005 "Competitiveness Year". During the year SEV will take the following initiatives: a) organise a big Conference on competitiveness followed by many other events in the main cities of Greece, b) conduct pilot impact assessment studies on every new legislative proposal in order to help the Government to make similar studies in the future, c) cooperate with the Greek Organisation of Industrial Property in order to disseminate information to companies on the procedures and cost of taking out a patent, d) implement a model for measuring the administrative burden like the one used in the Netherlands, and e) contribute to generalisation of the Junior Achievement Programme.

On the occasion of the visit of the President of Greece to Belgium on 2 February 2005, FEB and SEV drafted a joint declaration on the Lisbon Strategy.

## **HUNGARY:**

### **Confederation of Hungarian Employers and Industrialists (MGYOSZ)**

MGYOSZ is actively involved in discussions on competitiveness with its national government. With regard to Hungary's mid-term strategy for growth and competitiveness, MGYOSZ emphasises the need for measures that enhance the entrepreneurship climate, decrease tax rates (especially VAT), promote investments and contribute to more intensive economic growth by creating more jobs. MGYOSZ puts the accent on more flexible labour relations focusing on wage bargaining based on collective agreements, underlines the importance of lifelong learning and training for employees. It strongly supports the idea of assessing the economy in terms of labour force needs and available skills on a regular basis.

On 24 February, MGYOSZ signed a common declaration on the mid-term review of the Lisbon strategy with LPK, LDDK, ETTK, PKPP, SPCR, RUZ and ZDS. This declaration encouraged national governments to speed up the development of the "national action plans" according to the recommendations of the Kok and the Commission reports.

## **IRELAND:**

### **Irish Business and Employers' Confederation (IBEC)**

IBEC prepares an annual report for the Irish Government on progress on the Lisbon Strategy, stressing the priorities of business at national level.

IBEC's position on the mid-term review of Lisbon was submitted to Government in March 2005. This paper, adopted unanimously by IBEC's National Executive Council, calls for Government to focus on the fields of physical infrastructure, R&D, enterprise mindset and education and skills. Many of IBEC's national Lisbon actions are structured within the Irish national social partnership agreement "Sustaining Progress", which runs from 2003-2005. The negotiations on the follow-up agreement to Sustaining Progress, scheduled for late 2005, will be informed by the outcome of the mid-term review of Lisbon as agreed at this meeting of the European Council.

## **ITALY:**

### **Confederazione Generale dell' Industria Italiana (Confindustria)**

At the beginning of January the Italian government invited all social partners to hold a first discussion on how to improve the business environment and promote competitiveness. This "round table on competitiveness" is currently meeting. In parallel, the Prime Minister has established a Task Force to prepare the Italian contribution to the European Summit. Confindustria, following UNICE "national initiative for competitiveness", has already addressed a letter to Mr Berlusconi and to Mr Gianni Letta, Secretary of State in charge of the dossier, asking for the support of the Italian government, to the initiative of drawing-up a national Lisbon action plan. Confindustria is actively participating in the meeting of the Task Force and has presented a first draft proposal for a national action plan around 5 priorities: research and innovation, simplification, competition and liberalisation, infrastructure and the Mezzogiorno. Furthermore, on 2 March, President Montezemolo officially presented

Confindustria priorities for a national action plan to the Italian MEPs and to Commissioners Frattini, Kroes, McCreevy and Verheugen.

#### **LATVIA:**

##### **Latvian Employers' Confederation (LDDK)** *(UNICE observer)*

On 24 February 2005, in the framework of the international conference, "In the halfway of the Lisbon Process", the Latvian Employers' Confederation (plus, LPK, ETTK, PKPP, SPCR, RUZ, ZDS and MGYOSZ) signed a common declaration on the mid-term review of the Lisbon Strategy in which they encouraged national governments to speed up the development of the "national action plans" according to the recommendations of the Kok and the Commission reports. These plans should include clear definition of the priorities for the forthcoming years and would be subject to public discussion with the governments including the social partners.

#### **LITHUANIA:**

##### **Lithuanian Confederation of Industrialist (LPK)**

On 24 February 2005, in the framework of the international conference, "In the halfway of the Lisbon Process", the federations above (plus, LDDK, ETTK, PKPP, SPCR, RUZ, ZDS and MGYOSZ ) signed a common declaration on the mid-term review of the Lisbon Strategy in which they encouraged national governments to speed up the development of the "national action plans" according to the recommendations of the Kok and the Commission reports. These plans should include clear definition of the priorities for the forthcoming years and would be subject to public discussion with the governments including the social partners.

#### **LUXEMBOURG:**

##### **Fédération des Industriels Luxembourgeois (FEDIL)**

Due to the sharp economic slowdown and pressure from the employer side, the Government in 2004 launched a national debate on fostering competitiveness. These negotiations traditionally take place in the framework of the Tripartite Coordination Committee and are based on a report drafted by an independent expert, Professor Fontagné. FEDIL is fully engaged in this process and stressed the urgency to act at European and national level. The latest meeting of the Tripartite Coordination Committee took place on 3 February with the presence of Mr Krecké, Minister for Economic Affairs, and the social partners. The outcome of these tripartite discussions should be a national action plan as outlined by the Kok and Commission Spring reports.

#### **MALTA:**

##### **Malta Federation of Industry (MFOI)**

The Maltese Federation finalised its annual competitiveness report which will be presented to the Government's Cabinet soon. This will be followed by a press conference.

#### **POLAND:**

##### **Polish Confederation of Private Employers (PKPP)**

PKPP sent a letter on 10 January to Polish Prime Minister Belka, urging the Government to prepare as soon as possible a national action programme for implementation of the Lisbon Strategy which should pinpoint Poland's priorities for the coming years. PKPP proposed to discuss it with the parliament and the Tripartite Social Committee and established different matters of particular importance for Polish entrepreneurs: factors to improve competitive performance (R&D, education and training, ICT, etc.), labour-market flexibility, business-friendly environment, fiscal policies favouring enterprises, policies to attract foreign investment aimed at creation of high technologies and productive jobs, absorption of EU regional and cohesion funds and external promotion of Polish firms and brands.

On the same subject, PKPP on 24 February signed a common declaration on the mid-term review of the Lisbon strategy with LPK, LDDK, ETTK, MGYOSZ, SPCR, RUZ and ZDS.

## **PORTUGAL:**

### **Confederation of Portuguese Industry (AIP) and Portuguese Industrial Association (CIP)**

In the last two years, CIP and AIP jointly, and AIP and CIP separately, have taken several actions aiming at implementing the structural reforms deriving from the Lisbon Strategy and to engage national public bodies, companies and citizens in its delivery. Regarding structural reforms in specific areas, CIP and AIP have been focusing mainly on the following issues: education, professional training, innovation, research & development, information society, competition and sustainable development. A letter to the Portuguese government was sent on 1 February 2005 following UNICE “national initiatives for competitiveness”. In this letter, AIP and CIP ask the Portuguese Government to draw up a national action programme. They proposed to discuss this programme with the Parliament and the social partners, focusing on identification of the Portuguese priorities to strengthen competitiveness over the next few years.

## **SPAIN:**

### **Spanish Confederation of Entrepreneurial Organisations (CEOE)**

CEOE has expressed its priorities concerning the implementation of the Lisbon Strategy by means of letters to Spanish representatives in the Competitiveness Council and during a meeting with the President of the Spanish government, held previously to the Spring European Council of March 2005. Overall, CEOE considers that the National Action Plan should be drawn up and implemented in close collaboration between the government and the social partners. On the other hand, the Competitiveness Council should be responsible for the coordination of the National Action Plans, and for the overall coherence of the EU legal initiatives following the mid term review of the Lisbon Agenda.

In this regard, CEOE priorities are the following: a) implementation at a national level of Lisbon reforms, essential for growth and employment; b) increasing innovation and research through a better collaboration between science and companies and through the transference of technology; c) compliance with the EU policy on environment is a national issue. Any measure to be implemented should take into account and be compatible with national economic growth; d) development of the internal market by improving existing Directives implementation at national level and paying attention to proposals of Directives such as on services; e) best regulation improvement and simplification, carrying out a suitable assessment of the impact of legislative proposals in the economic activity; f) reforming the labour market and promoting entrepreneurship; and g) ensuring open and competitive global markets through the application of the commitments adopted by the World Trade Organization and fully respected by all partners.

## **SLOVAK REPUBLIC:**

### **National Union of Employers of the Slovak Republic (RUZ)**

On 24 February 2005, in the framework of the international conference, “In the halfway of the Lisbon Process”, the National Union of Employers of the Slovak Republic with LPK, LDDK, ETTK, MGYOSZ, PKPP, SPCR and ZDS signed a common declaration on the mid-term review of the Lisbon Strategy in which they encouraged national governments to speed up the development of the “national action plans” according to the recommendations of the Kok and the Commission reports. These plans should include clear definition of the priorities for the forthcoming years and would be subject to public discussion with governments including the social partners.

## **SLOVENIA:**

### **Association of Employers of Slovenia (ZDS)**

On 24 February 2005, in the framework of the international conference, “In the halfway of the Lisbon Process”, the Association of Employers of Slovenia with LPK, LDDK, ETTK, MGYOSZ, PKPP, SPCR and RUZ signed a common declaration on the mid-term review of the Lisbon Strategy in which they encouraged national governments to speed up the development of the “national action plans” according to the recommendations of the Kok and the Commission reports. These plans should include clear definition of the priorities for the forthcoming years and would be subject to public discussion with governments including the social partners.

## **SWEDEN:**

### **Confederation of Swedish Enterprise (SN)**

SN produces a yearly report on the Lisbon Strategy stressing Swedish business priorities. These reports have been presented to the governments and the social partners. 2005 Benchmarking report, “The Lisbon Strategy: staying alive in a global world?”, established Swedish key problems to be addressed in a national action plan: reduce tax burden on labour and enterprise, create an entrepreneurial climate that is more supportive to start-ups, improve the investment climate, and create a more flexible and efficient labour market. As a follow-up to UNICE “national initiatives for competitiveness”, SN sent a letter to the Swedish Prime Minister to stress the need to draw up a national action plan which includes these four major items.

## **THE NETHERLANDS:**

### **The Voice of Dutch Business (VNO-NCW)**

VNO-NCW is strongly lobbying for the Lisbon Agenda. The policy agenda on national level for raising the growth and innovative capacity of the Dutch economy is now laid down in two important policy messages conveyed by the Dutch cabinet on Growth and Industry. The broad policy reform programme of both messages has the strong support of VNO-NCW and could be seen as an important part of the need of implementation of the Lisbon Agenda at national level. The other important part of the “national Lisbon actions” is the 2004 Autumn Agreement between the Dutch cabinet and the social partners (VNO-NCW and the other central employer associations and the central trade unions) about national reform measures to raise participation of older workers, in particular by reducing the possibilities for early retirement and the access to the disability scheme and reforming the Dutch Unemployment Insurance Act. The agreement also contains a very moderate wage trends development.

## **UNITED KINGDOM:**

### **Confederation of British Industry (CBI)**

CBI makes reference to the Lisbon agenda in everything it does and will continue working in the same way focusing on two important items: research and development, and skills and competences. A CBI letter, following UNICE “national initiatives for competitiveness”, was sent to the Government with the recommendation to draw up a national action plan.

## EU CANDIDATES

### TURKEY:

#### **Turkish Industrialists' and Businessmen's Association (TÜSIAD)**

Turkey, as a candidate country, adheres to the Lisbon Strategy of the European Union. TÜSIAD is in line with UNICE “national initiatives for competitiveness” to communicate the Lisbon goals to the government. All the studies conducted by TÜSIAD working groups refer to the Lisbon goals in their respective areas. TÜSIAD monitors and influences the governmental policies in order to guide the progress to meet the Lisbon goals. TÜSIAD is currently working on a report to outline the business priorities for competitiveness and growth within the context of the Lisbon Strategy: impact of the EU's environmental policies, e-Turkey strategy, liberalisation of the domestic market, social security reform and fiscal policy.

## NON EU MEMBERS

### ICELAND:

#### **Confederation of Icelandic Employers (SA)**

Ten working groups are currently preparing an update of SA “Industry’s Agenda” which outlines general policy goals and makes specific recommendations on such topics as taxation, education, environment or labour market. Furthermore, SA's annual conference will take place in early May (addressed by Prime Minister Ásgrímsson), this time on the theme of improving competitiveness in a globalised world economy. The Lisbon Agenda will not be a part of SA’s campaign in itself because it is not a very familiar concept in Iceland, although the Lisbon goals are repeatedly referred to in SA's communication with Government and the general public.

### NORWAY :

#### **Confederation of Norwegian Business and Industry (NHO)**

NHO, following UNICE “national initiatives for competitiveness”, sent a letter to the Norwegian government calling for a Norwegian competitiveness strategy, inspired by the Lisbon Strategy. This question is being raised in meetings with relevant members of the government. If the Spring Summit agrees on the national action plans, NHO will support the government in joining this process. NHO recently published an annual competitiveness benchmarking report, comparing Norwegian competitiveness development to important competitors and trading partners, as well as a long-term policy programme with emphasis on competitiveness.

### SWITZERLAND:

#### **Swiss Business Federation (Economiesuisse)**

Without being subject to outside pressure with regard to the Lisbon agenda, Switzerland must also face up to the need to improve its competitiveness and revitalise its economy. To this end, Economiesuisse exerts strong and constant pressure on the government to improve the general framework for business activity. Three areas currently have priority: improved fiscal conditions, consolidation of education through a reform of universities, and pursuit of the Internal Market, in particular in the area of infrastructures (electricity, post, etc.).