



SPEECH

*** Check against delivery ***

ADDRESS BY ERNEST-ANTOINE SEILLIÈRE, PRESIDENT OF BUSINESSEUROPE

50TH ANNIVERSARY OF THE BREWERS OF EUROPE GENERAL ASSEMBLY GALA DINNER

26 MAY 2008

President, Ladies and Gentlemen, I am very pleased to be with you to celebrate the 50th anniversary of the Brewers of Europe, and this in such a beautiful setting, and in a country that has an exceptional beer tradition, an unparalleled reputation for speciality beers since the Middle Ages and which produces more than 450 varieties of beer.

This city, Ghent, also has a symbolic significance in terms of European history and its identity as the home of diverse but compatible peoples. In 1500 it was the birthplace of the man destined to become the Holy Roman Emperor Charles the Fifth, whose territory included Spain and Austria as well as the Low Countries. Appropriately, one of Belgium's most popular beers is Charles Quint, known as Keizer Karel in Dutch.

I speak to you on behalf of BUSINESSEUROPE, the organisation that represents all business sectors across Europe and which also celebrates its 50th anniversary this year. But the roots of my family's business are in Alsace-Lorraine, a region with its own beer-making tradition. France may be famous for its vineyards, but wine-makers face a strong competitor in the beer industry. Well-known French beer connoisseurs include Jacques Chirac, Mr Sarkozy's predecessor as France's President.

The invention of beer dates back several thousands of years. And while times have changed, the beer industry has successfully adapted. The beer market has become international and consumption is up and growing, in particular outside Europe. The fact that European brewers account for 25% of the world's beer production demonstrates the strength of this sector.

You represent one of the few sectors where a majority of the world-wide leading companies are European. At the same time, it is a sector with approximately 3,000 European breweries and that is thus characterised by many dynamic and innovative SMEs. Modern technologies and innovative market approaches are particularly important to keep a competitive market position, especially for the smaller players. Many European breweries, often family businesses, have been successful.

But the beer industry also has a global reach. We need only turn to the business pages to see that the global brewing industry is consolidating as companies hunt for growth and try to cut costs.

Europe's brewers can also be proud of the quality of their products and their contribution to sustainable production. The famous Bavarian beer purity law dates back to 1516, an early example of standardisation designed in part to ensure product reliability. Your members are active in the field of energy efficiency and optimal water use. In addition, you are actively engaged in promoting responsible consumption and preventing underage drinking.

In summary: the European brewing sector is not only a sector with long-standing tradition, but also a sector that is dynamic and has adapted to challenges. In the light of a very long tradition, the federation of the "Brewers of Europe" may seem young. At the same time, you have been present on the European scene from the very beginning of the European Communities in order to effectively defend the interests of your sector. This has not been the case of many other sectors, not all have been so forward-looking. In the light of increasing EU regulation, interest representation at the EU level remains very important.

As already mentioned, BUSINESSEUROPE also celebrates its 50th anniversary this year. Our task is also to defend interests, in our case the interests of the business sector generally. We cannot perform this task in isolation, and we rely on cooperation with sectoral bodies such as "Brewers of Europe" to provide us with specialist input.

In the case of your organisation, the flow has also been in the opposite direction. Some years ago, your Secretary General Rodolphe de Looz-Corswarem spent a period as Communications Director with what was then UNICE, now BUSINESSEUROPE.

Over the last fifty years Europe has achieved a great deal, growing to its current size and bringing its peoples together in a large and increasingly integrated market and society. But we are not yet at the end of the road. If we look over our shoulders, we can see that China is more populous, Russia is more extensive in terms of geography, and the United States has a larger economy.

Europe has achieved much for companies. In turn, companies have created wealth and jobs (20 million alone over the last decade). But Europe is also facing many challenges now – the following policy priorities need to be set in order to keep us successful:

We need to make real progress in the implementation of the Lisbon strategy. The strategy is good but clearly the goals will not be achieved without a stronger commitment to reforms at political level. In addition, we need to look already now at how the strategy will have to be pursued beyond 2010.

It is a must to deepen the EU single market and ensure effective enforcement of rules, notably of the services directive. Barriers to the free movement of workers, goods, services capital and knowledge have no place in today's Europe.

Hand in hand with these policies, **we must modernise our social systems and reform labour markets** in order to meet the demands of an ageing society and the lack of skilled people. The flexicurity approach is key in this respect. As is an effective social dialogue at EU and national level.

We must fight all kinds of protectionism in the European Union and in the world. In a globalised world, a strong multilateral trading system is indispensable. Therefore, we urgently want to see the negotiations of the Doha Round finalised, although not at any cost. European companies want real market openness and new export opportunities, particularly to highly competitive emerging countries like China, India and Brazil.

We also attach the utmost importance **to good governance and swift ratification of the Lisbon Treaty**. This is key to ensure that a European Union of 27 Member States remains operational. Thirteen countries have ratified the Treaty so far. Ireland is to hold its referendum on 12 June and I look forward to drinking a Guinness to celebrate a “yes” vote.

BUSINESSEUROPE is committed to promote a secure, competitive and climate-friendly energy system. We call for the development of efficient policies designed to reduce global carbon emissions, but we will not be able to evolve towards a low-carbon energy system if the competitiveness of European industry is sacrificed. Europe must keep its industry in Europe as the basis for growth and jobs. It must keep its industry for continued investment and innovation in environment-friendly and energy-saving technologies. Europe must strive to find a global agreement which also includes all major emerging economies in Copenhagen next year. This is the only real solution.

These are, in a nutshell, some of the topics that move. I believe they are important for all companies that want to remain successful. We will have a new Commission and a newly elected European Parliament in 2009. We need to make sure that the above-mentioned policy priorities are pursued.

Our assessment of the current Commission is generally positive. The Commission, under the lead of President Barroso, has reinvigorated the Lisbon strategy for growth and jobs. It has put a strong focus on increasing competitiveness. It has launched the better regulation agenda.

Despite challenging proposals in the area of energy and climate change, competitiveness aspects are also at the heart of the newly proposed legislation.

In the area of labour law, a stronger focus was put on better implementation rather than on new legislation. Priority was put on the modernisation of labour markets, flexicurity and mobility. We were able to negotiate and finalise a milestone agreement with the European Trade Union on labour market analysis and on flexicurity.



The Global Europe Strategy was a very positive turning point in international trade policy, as it focuses much more on the economic and competitiveness dimensions of trade policy. Trade policy has also been linked to the Lisbon agenda.

The European Parliament is a strong player in the institutional triangle and the most lobbied institution. It has become more and more able to strike deals among its different groups, but is generally challenging to influence.

You have a special connection with the European Parliament. I refer, of course, to the Beer Club, which provides our law-makers with an opportunity to develop their ideas in a relaxed atmosphere. General De Gaulle famously complained that it was impossible to rule a country with 246 different cheeses. I think we can safely say that the abundance of different beers has a positive influence on dialogue in Europe.

To conclude: in the light of a new Commission and European Parliament in 2009, the business world needs to work together to make its voice heard and actively convey its views regarding the policies that are needed to keep Europe on the growth path and competitive. To that end, cooperation between our two organisations is key.

I look forward to continuing our cooperation. Once again, I congratulate you on your 50th anniversary. Thank you for your attention.

A votre santé!

* * *