



15 February 2010

ECONOMIC OUTLOOK: 2010 - BETTER BUT STILL FRAGILE

BUSINESSEUROPE has presented its economic outlook 2010, in the context of the Macro Economic Dialogue. BUSINESSEUROPE now forecasts EU real GDP growth to reach 1.2% in 2010 following a fall of 4% in 2009. Nevertheless the situation must be considered as still fragile and uncertain.

Public indebtedness will continue to rise. It will reach this year – at EU level – an average of 80% of GDP.

Governments must rapidly restore trust in the sustainability of their public finances. This is essential to maintain favourable financing conditions, contain risk of financial turmoil and spur confidence of companies and households.

Speculative attacks must be dealt with, including through targeted commitments by EU institutions to collectively preserve fiscal and financial stability. But this is not a substitute for the necessary adjustment at the national level. Fiscal imbalances must be addressed with credible and decisive actions by the governments themselves, backed by strict surveillance by the Commission and the Council.

Philippe de Buck, Director General of BUSINESSEUROPE said: *“Recent events demonstrate that public interventions in the economy are now reaching their limits. To sustain growth and job creation, it is vital that European governments restore the viability of public finances and implement far-reaching reforms.”*

BUSINESSEUROPE – the Confederation of European Business represents more than 20 million small, medium and large companies. Active in European affairs since 1958, BUSINESSEUROPE Members are 40 central industrial and employers’ federations from 34 countries, working together to achieve growth and competitiveness in Europe.

For further information, please contact: Maria-Fernanda Fau +32(0)2 237.65.02
www.businessseurope.eu