



*** Check against delivery ***

23 June 2020

Tripartite Social Summit on 23 June 2020

Contribution of the Social Partners to relaunching Growth and Employment in the Aftermath of COVID-19

Opening address by Markus J Beyrer, Director General of BusinessEurope

Dear President Von der Leyen,
Dear President Michel,
Dear Prime Minister Plenkovic,
Dear Executive Vice-President Dombrovskis,
Dear Commissioner Schmit,

Thanks a lot for having organized this extraordinary meeting of the Tripartite Social Summit at short notice. The EU, like the rest of the global economy, is experiencing its deepest recession since the 1930s. So, it is important for us to meet at this essential juncture.

The direction of travel is clear. In order to minimize long-term scarring to the EU economy, the EU and its member states need to continue to progressively reopen their economies and put in place a coordinated economic response to support business investment, consumer demand and employment. SMEs in particular need support to recover from the shock of the crisis and become more resilient.

We have five main messages for you today:

1. We welcome the Commission's recovery plan. It is essential to ensure a **European recovery plan of sufficient weight to match the size of the crisis and the size of the actions of our major competitors.** The Next Generation EU instrument can ensure that Europe plays its full role in providing a strong and suitable financial response to the current crisis. If adopted by member states, it will help boost investment, protect jobs and reduce business closures. **An agreement on the new EU's Multiannual Financial Framework (MFF) and recovery instrument must be reached before the summer break.**



2. We fully agree that the Green Deal and Europe's digital capacity are key pillars of the recovery strategy. To make the green and digital transitions work as a recovery strategy, the emphasis must be on the investment part and constraints and obligations on businesses of all sizes must be limited to what is absolutely necessary in order not to undermine the recovery. But the recovery plan must also go beyond these two core pillars. We support all efforts aiming to **strengthen key industrial value chains and ecosystems, and to embark on a strong single market reform and trade agenda.**
3. **We call on the Commission and Council to ensure that the money foreseen in the Next Generation EU recovery instrument is well spent,** providing prosperity-enhancing investment and job creation. **Social partners can play a useful role in this respect. Making the right choices** will be crucial to ensure acceptance of this unprecedented European solidarity, for the repayment of this EU debt in due course, and for our children's and grandchildren's future. **Conditionality of resources disbursement** to the implementation of country-specific structural reforms agreed in the European semester is essential.
4. **We oppose new taxes as consequence to of new resources.** We are concerned that proposals for new own resources could significantly increase costs for businesses. Additional taxes and costs for companies would be particularly harmful and must be avoided in present circumstances. **Particularly the idea of a new levy on businesses, that use the single market is sending the very wrong signal regarding the EU attractiveness as an investment location.**
5. **As regards the social dimension,** the priority is to invest the available resources to **improve the performance of labour markets and social systems.** This requires an **improved tripartite approach** involving at the same time national governments and social partners, and to do so at an early stage before the action plan on the pillar of social rights will be put forward by the Commission early next year. **We also stress the need for skills policies to be closely connected with industrial policy objectives and initiatives. It's important to protect workers' health and safety as they return to work. The EU took the right step by including COVID in the biological agents directive as category 3. This gives solid protection. There is no need to classify COVID as an occupational disease and this would in any case be inaccurate given the public health nature of the crisis.**