



**** Check against delivery ****

16 March 2007

**SOCIAL PARTNERS CONFERENCE: EMPLOYMENT AND SOCIAL
DIALOGUE WITHIN THE FRAMEWORK OF THE EURO-MEDITERRANEAN
PARTNERSHIP
BERLIN, 16 MARCH 2007**

**FORUM 1: STATUS OF THE BARCELONA PROCESS - EMPLOYMENT
DIMENSION
11H30 – 13H00**

Address by Mrs Dimitra MITROGIANNOPOULOU,

**Vice-President of the Federation of Greek Industries (SEV)
Member of BUSINESS EUROPE – The Confederation of European
Business**

Ministers,
Ladies and Gentlemen,

It is a great honour to have been invited by the German Ministry of Labour and Social Affairs to participate in this conference on the social dimension of the Euro-Mediterranean Partnership, on behalf of the Confederation of European Business – BUSINESS EUROPE – and in my capacity as Vice-President of the Federation of Greek Industries (SEV).

This gives me the opportunity to explain the point of view of the Euro-Mediterranean business community on the importance of the Barcelona Process and notably the employment dimension. The issue of employment has hardly been taken into account in the Euro-Mediterranean Partnership. I think it is clear to all that there is no way that a common area of security and prosperity can be created without new jobs in the Mediterranean region.

The employment dimension of the Barcelona Process

BUSINESS EUROPE believes in **competitiveness** as the answer to accelerate Euro-Mediterranean economic growth and job creation. Creating jobs and reducing unemployment, especially among the young, is one of the major challenges for the Mediterranean region in the years to come, especially considering the demographic challenge we face.



To that end, South Mediterranean countries have to ensure that institutions at all levels work together to ensure a coherent policy focused on turning the region into an attractive place to do business.

Since the launch of the Barcelona process Euro-Mediterranean cooperation has facilitated creation of a framework for promotion of the economic reforms which were needed in South Mediterranean countries to improve their economic and social development.

The existence of this cooperation and dialogue framework over this period, buttressed by the cooperation instruments included in the EU association and financial assistance agreements, has made it possible to stabilise the macroeconomic framework in most partner countries.

Although the generally good economic performance of the last two years should be underlined, unemployment remains very high, particularly among young people, and job creation is unable to keep up with the rapid increase in jobseekers. Similarly, the revenue gap between the partner Mediterranean countries and European Union countries has not narrowed.

We have to applaud South Mediterranean economic measures implemented in recent years to reduce their macroeconomic imbalances and further open their economies, step by step, to the rest of the world.

But business organisations want to see more. In particular, it is essential to:

- develop the private sector and the role to be played by civil society,
- promote competitiveness,
- facilitate investment,
- encourage more social dialogue.

We consider these measures important to maintain sustainable economic growth which can create jobs in the region and facilitate regional economic integration on the southern shore of the Mediterranean, which must be one of the main objectives for the years ahead.

The economic benefits for the region in terms of growth and employment will help the partner Mediterranean countries create at least the five million jobs a year they need to offer people arriving on the labour market for the first time better economic prospects while at the same time ensuring sustainable development.

The role of business organisations

BUSINESSEUROPE is convinced that Euro-Mediterranean business organisations play a key role in the Barcelona Process and in stimulating growth and jobs in the south Mediterranean countries.

Business organisations are the main facilitators of fruitful cooperation between public authorities and the private sector. They are also in a privileged position to interpret the needs of companies.



We have in other panels on this conference representatives of UMCE – the Union of Mediterranean Confederation of Enterprises – our sister organisation for South Mediterranean countries, which is a concrete example of the effective and efficient work of business organisations in the Mediterranean countries. They coordinate the industrial interests of the twelve partner countries.

BUSINESSEUROPE is very proud of the role that UMCE is playing at both national and Euro-Mediterranean level, notably in leading the way for deeper Euro-Mediterranean integration.

To improve the business environment in South Mediterranean countries, and consequently growth and jobs in the region, the Euro-Mediterranean business community supports implementation of the Euro-Mediterranean Charter for Enterprises in South Mediterranean countries since its adoption in 2004 in Caserta. This document provides a comprehensive framework for the development of policies for the improvement of business competitiveness and support for the development of the private sector in the region and at the same time for the creation of new jobs. However, the Charter must be better implemented by all South Mediterranean governments for business to truly be able to prosper from this initiative.

Migration

As representatives of business organisations, we cannot deny the importance of migration for the economic development of a region. It is clear that European Union countries are faced with the unprecedented economic and social challenges of demographic ageing which will result in a rise in the number of elderly people over the next decades and a shrinking population of young people.

In BUSINESSEUROPE's view, it is in the interest of European societies as a whole and of migrants themselves that immigration is managed in a properly organised framework. In that way we can be sure that a complex problem such as migration will be treated with the necessary respect and attention.

It is a fact that third country nationals legally residing and working in the EU contribute significantly to achieving the goals of the "Growth and Jobs Strategy" and to enhancing the European economy's competitiveness in a globalised world. Part of the EU's "growth deficit" relative to the US is linked to the higher rates of immigration in the US compared to Europe. So we must reflect on this.

In addition, the larger sums of money that these migrants repatriate to their countries of origin are an excellent tool for developing their national economy. It can be a win-win situation if properly managed by both sides.

The European Neighbourhood Policy and its financial instrument

The European Neighborhood Policy (ENP) has added a new dimension to relations with the South Mediterranean. In BUSINESSEUROPE opinion, the ENP must reflect a continuation and reinforcement to the Barcelona Partnership, allow sharing the benefits of the European Union enlargement with a broad arc of neighbouring countries in this region.



The deeper integration offered by the ENP must be an incentive for reforms in the South Mediterranean. Without denying the progress already made and the targets and challenges agreed on, politicians have now the opportunity and the historic responsibility to build on the successful – but not yet completed – experience of the Mediterranean Process.

The Mediterranean industries must be involved at all levels in this policy, and the financial instrument attached to the ENP – European Neighborhood and Partnership Instrument (ENPI) - must provide more support to business organisations. In particular, we are very much in favour of some form of cooperation through twinning projects between European and Mediterranean employers and industrial associations, in order to encourage foreign investment and technology transfer.

At BUSINESSEUROPE, we recognize the need to develop a deeper relationship on energy matters in the future through the ENP process. The experience of the European Energy Community can serve as a starting point for deepening relations on energy with the Southern Mediterranean in the future.

We also know the importance of the European Neighbourhood Action Plans which are the right instruments to improve the economic and growth potential of South Mediterranean countries. BUSINESSEUROPE agrees with the bilateral approach decided by the European institutions focusing on the specificity of the relationship between each country and the EU: Moroccans know best what needs to be done in Morocco, just as Tunisians or Algerians do in the case of Tunisia and Algeria. But as such we would like to emphasise the need to involve business organizations much more in the decision-making process for the development of Action Plans in each and every country in order to have a direct insight into real business needs.

Thank you very much for your attention.
