



18 May 2010

OEB 50TH ANNIVERSARY GALA DINNER
NICOSIA, 19 MAY 2010**PHILIPPE DE BUCK**
DIRECTOR GENERAL OF BUSINESSEUROPE

Dear President,
Dear Director General,
Ladies and Gentlemen,

I would like to start by thanking very much indeed our host tonight, President Andreas PITTAS.

According to an ancient myth, Cyprus is the birthplace of Aphrodite, the Greek goddess known for her exquisite beauty. Not surprisingly, for my first visit to the island, I was immediately charmed by the hospitality of its people. And I look forward to discovering the variety and richness of its landscapes.

It is a great pleasure for me to be here on Cyprus and to enjoy with you this delightful evening. Tonight, we celebrate the 50th anniversary of the Cyprus Employers and Industrialists Federation. To be part of this celebration is an honour for me and for BUSINESSEUROPE.

We had our own jubilee in BUSINESSEUROPE in December 2008. So I appreciate fully the significance of such an event. It is an opportunity to look back at achievements of the past. There are many, which you can be very proud of. Not least, your efforts to make the accession of Cyprus to the EU possible.

OEB became a member of BUSINESSEUROPE in 1988. This reflects the true European character of the island and its business people. This also reflects a willingness to share views with European colleagues and work together on an ambitious European project.

The 50 years of OEB's existence have been marked by important milestones.

When you signed the Industrial Relations Code, you started constructive relations between Cypriot employers and workers representatives.



By sparing no efforts to bring together Greek-Cypriot and Turkish-Cypriot business people, you contribute to facilitating understanding between the two communities. This is the only way to solve this sensitive question, which should lead to the reunification of Cyprus.

Your successes have also been recognised at international level – not least, by the International Labour Organisation and the International Employers' Organisation. OEB has been asked to coach employers' organisations in Eastern Europe.

It is also a time to look forward, with confidence and determination, at upcoming challenges. More than ever today, here in this region, and in the EU the challenges are tremendous. We cannot afford to turn a blind eye to the situation.

To become part of the European Union requires quite an effort. Not only from governments and institutions. But even more from you, entrepreneurs, if you want to reap full benefits from the EU policies and the internal market in particular.

The EU is a fantastic project. We, the business community, have supported it from the very beginning! But the EU can also be a "regulatory machine". 60 to 70% of rules regulating the business environment at national level have a European origin. That is the reason why you, Cypriot entrepreneurs, have to be represented in Brussels. This is the reason why we, in BUSINESSEUROPE, represent all companies in the EU – irrespective of their size or the country they come from.

We do our utmost to ensure that the European Union adopts policies that support the competitiveness of European companies. But only if we combine our efforts with these of each of our 40 members from 34 countries across Europe will we be successful.

The scope of our activities is very broad. We too are engaged in a constructive social dialogue with the European trade unions. Do not expect spectacular achievements at European level – the real social dialogue is at your level. But we can and we should further discuss and agree on the principles of the market economy, on how we can improve the competitiveness of our economies, on how to implement the flexicurity principles in the labour markets.

We have a social model in Europe. In your country as well. We, employers, can be proud of it. But if we do not review some of the elements today, we will not be able to sustain our European model tomorrow.

The single European market is more than an economic project. It is a key condition for future developments. It is the only way to prepare the European companies to the global market.

For companies, it has meant new business opportunities and access to a market of 500 million consumers. For consumers, it has translated into lower prices, higher quality and a wider choice of products and services. For workers, it has created 3 million jobs. For all, it has opened the possibility to live, study, work or retire in any of the EU Member States.



We also look beyond EU borders. We are particularly committed to deepening cooperation with Mediterranean business partners. The Mediterranean region, including Turkey and Cyprus, Greece and many other countries, has an enormous potential. But so far, economic integration has been limited, hampering business opportunities. I want to say here tonight that Turkey is one of our important partners and member in the region. BUSINESSEUROPE has always seen the economic integration between the EU and Turkey as mutually beneficial. This win-win economic strategy can be challenging politically. But it has nevertheless moved forward, step by step. BUSINESSEUROPE favours a continuation of this accession strategy. Your organisation can play a very important bridging function.

Ladies and gentleman,

We live in exceptional times for the EU. We live in unprecedented times for the Eurozone. No, the crisis that started in the US in 2007 is not over. Governments had to inject tremendous amounts of money into bailed-out banks. They had to do the same to relaunch the economy. I think that we, business community, have to recognise this and draw the right conclusions.

Public opinion as well as the public authorities are looking at us. Therefore we have to show responsibility and credibility.

We cannot be against regulations – on the contrary. But we have to advocate smart regulations. Regulations that solve the problems. Regulations that create transparency. Regulations that avoid repeats of this kind of crisis in the future.

In my experience, there is no such thing as a “financial sector” vs. “real economy”. Recent economic history has shown just the contrary. Now we know one thing for sure: the economy is global and intertwined. Be it in the EU, be it in G20, the political decisions have to be put in place as soon as possible.

But we face an even more important financial and monetary crisis in the Eurozone. It started in a country you know well, Greece. The Greek structural weaknesses, due to long-standing mismanagement, have had consequences far beyond its borders.

To address these imminent threats, the European Council, the European Commission and the European Central Bank – have taken bold actions. In the night of 9 to 10 May, they have, after too long hesitations, demonstrated solidarity with Greece. Within the euro area and, beyond, in the EU, this principle must prevail.

These anti-crisis measures were absolutely indispensable. They are unprecedented. As are the macro-economic efforts imposed on all the members of the Eurozone. The purpose must be twofold: to restore confidence in the euro and to strengthen the economy.

Let me make a clear statement tonight. We cannot let the Euro fall apart – that is unimaginable. The euro is a political achievement, a technical success and an economic asset. We knew that the governance had to be improved.



A single currency cannot function without solidarity among the partners. A single currency needs good governance and fiscal and economic convergence. This is a major responsibility of governments. Everybody recognises today what we, in BUSINESSEUROPE, have been saying for many years: competitiveness and structural reforms are key for foster growth and job creation. .

Back to our celebration. Let me tell you how much BUSINESSEUROPE cares about its Cypriot member. Let me tell you how much we, BUSINESSEUROPE, care about Europe.

In many areas – be it trade, climate diplomacy, development or conflict resolution – the European Union has been able to maintain its role as a major player.

It is a critical moment for our continent. The business community has high expectations from its political leaders. They can choose the road of success, which is the road of reforms. Or they can stand idle and face the huge cost of inaction.

Cyprus has changed in many ways over the 50 years of your federation's existence. Be proud of your contribution to the development of your country. Be proud of your successful integration in the European Union. Like BUSINESSEUROPE, OEB is a forward-looking organisation. We take stock of past achievements but we never stop working on improvements for the future. We will continue to defend our positions and remain confident in what the companies we represent can achieve. Together, we will remain proactive in offering solutions to the world's economic and social challenges.

Personally, I look forward to continuing the tremendous working relationship and friendship with Mickael Pilikos. He is as passionate for the economy as he is for soccer.

On behalf of all the members of BUSINESSEUROPE, On behalf of its President, Jürgen Thumann, I wish you all the best and many years for a successful future for Cyprus Employers and Industrialists Federation.

Thank you for your attention.

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