

CHECK AGAINST DELIVERY

**INTERVENTION OF ERNEST-ANTOINE SEILLIÈRE, UNICE PRESIDENT
AT THE SPRING EUROPEAN COUNCIL ON 23 MARCH 2006**

TIME SLOT: 10 MINUTES

Presidents, Prime Ministers, Ministers,

It is a great honour for the President of UNICE to have been invited to take the floor at the opening of the Spring Summit and I thank Chancellor Schüssel for his kind initiative.

As you know, UNICE represents 20 million companies through its 39 national federations, so I might allow myself some perhaps overly direct businessman's language.

First to express a real paradox, the European paradox today:

At a historic moment of intense economic internationalisation of companies and markets both inside the Union and beyond, political governance has run into a profound crisis in Europe, and a renewed European vision supported by citizens seems to be far away.

The business community is deeply worried by this paradox. We need Europe; we need an efficient and credible European world actor in an age of globalisation. This is the strong message from UNICE to you today. Don't let us down. I believe you can count on companies, to do their utmost to contribute to growth and jobs. It is their role to seize any opportunity to do so, since their development or even survival depends on their dynamism, will and initiatives, whatever their size. But I hope we can count on European leaders and governments to take the urgent and large-scale measures needed to adapt our environment to the new world we are in and do it with efficient European governance. We worry that not only is there no initiative taken to overcome the European standstill, but that there are many signs of a comeback of national reactions.

We call on you to resist any kind of "protectionism" that discourages cross-border coming together of companies. This is a real danger but I guess it will not prevent the many takeovers, acquisitions and alliances that companies will launch in Europe, because of the strategic needs of competition and globalisation. We call on the European Commission to watch out and ensure that EU Treaties are respected. The Commission must also take strong action against those Member States that infringe existing Internal Market Directives.

The business community asks Europe to pull itself together and create the new impetus that we need to face China and India tomorrow, as we face already the United States or Japan. We are also asking for two strong impulses:

- **Implement national reforms**

We know that the essential reason why our growth is weak, far from the Lisbon strategy goal of 3%, is the desperately slow adaptation of most of our national societies to:

- foster research and innovation
- support the creation and growth of SMEs
- make labour markets more flexible
- fight for less and better regulation

In one word: **implement**, as President Barroso strongly recommends, the National Reform Programmes. This is the essence of our message to you signed unanimously by all my colleagues, the Presidents of UNICE's member federations.

- **Extend the internal market**

This is especially vital in the field of services and energy.

On the **services directive**, we believe it is positive that a directive is under way. But the Parliament's compromise does not, seen from the business community's angle, favour enough growth and job creation. We expect that the Commission will bring ideas and measures to give full efficiency to this extension of the internal market, urgently needed after the free movement of goods, capital and people. We would be happy to support a text that would help services to spread and increase throughout Europe.

On **energy**, we welcome the fact that the European Council will make energy one of its major topics at the Spring Summit. It is high time for a coherent European energy policy. This strategy should comprise three objectives:

- First, establish competition on open and interconnected energy markets.
- Second, integrate the environmental dimension in a coherent energy strategy. In particular taking into account the link between energy and CO2 emissions, nuclear energy must be maintained as an option.
- Third, develop closer cooperation between Member States to ensure security of energy supply and develop a more active external policy in the area of energy.

I would like to end with a word on the **European Social Model**. We respect the national social systems, but we know that our competitiveness is directly linked to your capacity as governments to bring about their necessary adaptation to world competition. It is a difficult but necessary task. We are supportive of the European Social Model which links economic progress and social solidarity, and believe the social dialogue to be essential. At the European level, we have agreed on a new work programme 2006 – 2008 and will contribute to the dialogue.

Presidents, Ministers, I take this invitation to address you as a symbol of the partnership between trade union, employers and governments in order to actively pursue the goals of the Lisbon agenda and lead Europe to success.
