

15 January 2003

**UNICE's reaction to the Commission's Synthesis Report on the Lisbon Strategy**

**The European business community and the European Commission come to very similar findings regarding the status of the Lisbon Strategy: Europe has so far failed to become its own growth motor because the structural reforms needed to boost employment and productivity are not being implemented with the necessary vigour. The current status of the Lisbon Strategy can be summed up with the title of the UNICE document: "time is running out, action needed now".**

The Commission today presented to the European Parliament in Strasbourg its spring report, in which it makes its annual assessment of the progress achieved in the so-called Lisbon Strategy of making Europe "the most competitive and dynamic knowledge-based economy in the world by 2010" and which prepares the agenda for the spring summit of the European Council on 21 March.

UNICE is encouraged to note that the analysis of the causes and remedies of the ongoing malaise of the European economy and the lack of progress towards the Lisbon goals have been recognised correctly by the Commission. In its own document on the status of the Lisbon Strategy, which UNICE published in December 2002, business points out that "Europe has not managed to become its own growth motor." UNICE fully agrees with the Commission that only implementation of badly needed structural reforms can improve the Union's potential to grow.

Agreeing with the report in principle, the business community has even gloomier feelings about the timeframe of the Lisbon Strategy. The title of the UNICE Lisbon report deliberately rings the alarm bell. Although progress has been achieved, it remains a fact that our main competitor, the US, is growing more quickly with higher employment and productivity growth rates. Europe is falling behind. It is employment and productivity growth, which are the two sources of economic growth, as the Commission rightly points out in its spring report. Which is why business is at the heart of the Lisbon Strategy.

Georges Jacobs, UNICE's President, says: *"companies generate growth, seize new business opportunities, strive to add value to products and services, and maintain and create new jobs. Therefore, in order to achieve the Lisbon goals, European policy-makers must concentrate on their enterprises."*

The UNICE Lisbon 2003 document sets priorities for the 2003 Spring summit around the following key points:

- Foster entrepreneurship in Europe
- Make innovation happen
- Unleash the single market
- Ensure the strength and efficiency of human resources
- Strive for sustainable development

The document is supported by the Presidents of 34 Industrial and Employers Federation from 27 European countries who have endorsed the document with their signatures.