

**NOTE FOR ROBERT MADELIN,
DIRECTOR GENERAL, EUROPEAN COMMISSION, DG SANCO**

**LUNCH - MEETING WITH UNICE SECRETARY GENERAL, PHILIPPE DE BUCK
ON 24 NOVEMBER 2006**

HEALTH PROMOTION IN WORK PLACES

Employers have the legal obligation to protect the health and safety of their employees. Health promotion in the workplace goes beyond the occupational health and safety sphere. It is a notion that refers more to encouraging healthy life styles among employees. This is certainly not an employer responsibility, but a number of companies have taken this issue up and develop initiatives (e.g. installation of a fitness center in the company, provision of certain food stuffs in the canteen, information about good nutritional habits, etc). These are activities which fall into the CSR sphere.

BIOTERROR

UNICE does not have any position on the subject since it is rather specific but we can underline that :

- UNICE works on security and terror issues through a specific security task force.
- It maintains close links with CEFIC which is member of the UNICE task force.
- UNICE will organise a conference on security early 2007 together with US business and administration. The agenda is being currently defines.
- The objective is not convergence of positions with the US but rather exchange of information about main challenges for business in the new security environment and discussion of best approaches to tackle them

SELF REGULATION / BETTER REGULATION

Better regulation aspect

UNICE is very pleased with the increasing emphasis which the Commission and previous Presidencies have put on better regulation as a crucial tool for promoting competitiveness and it warmly supports the initiatives and efforts that are made in this respect. Too much red tape is one of the most common complaints from businesses and the cumulative effect of many regulations and formalities is to slow down business responsiveness, divert resources away from productive investments, and discourage entrepreneurship. UNICE understands that better regulation is a continuous and ongoing process that is still at an early stage but it is important that also now concrete results are delivered to boost confidence in the overall worth of the better regulation project.

UNICE thus encourages the German Presidency to strongly emphasise the importance of implementing the better regulation agenda and achieve concrete results whilst at the same time pursuing a broad programme with new initiatives to enhance the effectiveness of the project.

Progress in the area of simplification is far too slow and there is a considerable risk that new burdens could be added during the legislative process. It is crucial that the Council and Parliament improve inter-institutional working methods to ascertain that simplification proposals are dealt with quickly and really reduce burdens for business.

The Council and Parliament should also make further progress with respect to the systematic carrying out of impact assessments on their amendments to Commission proposals. And, lastly, UNICE strongly supports the ambitious idea to strive for a 25% reduction of administrative costs. This would be another important next step in the process of rendering Community legislation cost-effective by effectively reducing burdens. Information about the size of existing administrative costs and a quantified goal for the reduction of these burdens will not only greatly help businesses to compete more effectively but it will also raise awareness about the need for cost reduction and generate support for concrete proposals. UNICE hopes thus that the Spring European Council can endorse a 25% reduction target whilst setting appropriate intermediate targets to ensure that continuing progress is made towards achieving this important goal.

Self-regulation aspect

UNICE promotes greater recourse to alternatives to traditional legislation. Self-regulation offers important advantages, namely adaptability to evolving markets and rapid technological developments, flexibility and more involvement of stakeholders. It can also respond more easily to each country's cultural, legal traditions and commercial relations.

UNICE supports the Commission's approach to self-regulation and agrees that minimum criteria should be adopted: efficacy, legitimacy, accountability and consistency with internal market.

Self-regulation aspect – consumer applications

Consumer policy is an area where self-regulation can be exploited further. Due to its characteristics and considering the close relation existing between market players, we believe that SR could be more efficient than legislation. We strongly support the ongoing discussions (namely SANCO's Roundtable on Advertising and the EU Platform on diet, Physical Activity and Health) between SANCO and stakeholders regarding food labelling and health or advertising to children which explore the benefits of self-regulation in those areas. Business is seriously involved in responsible self-regulation and it is worth mentioning the work of ICC and EASA (European Advertising Standards Alliance) among others.

ACQUIS COMMUNAUTAIRE

Review of the acquis communautaire on consumer policy

- UNICE looks forward to a real and open debate when the Green paper is published.
- UNICE supports the review only if it adheres to the principles of the EU Better Regulation Agenda and pursues simplification and clarification of existing rules and reduction of red tape.
- It must ensure a level playing-field and avoid gold-plating. Full harmonisation should be sought when appropriate.
- It should be proportionate, practical and targeted; and review proposals must be based on real evidence of need for better functioning of the internal market.
- It should be backed up by impact assessments based on a competitiveness test.
- It must strike the right balance between the competitiveness of companies and an appropriate level of consumer protection.
- The review process must be open and transparent, with full consultation of stakeholders.
- Proposals for judicialisation of consumer enforcement powers (class action, etc) must be treated with extreme care. UNICE is in favour of improving and reinforcing non-judicial mechanisms such as arbitration, mediation, complaint-handling and information schemes (SOLVIT, etc.).

EUROPEAN CONTRACT LAW

Creation of a Common Frame of Reference on Contract law (based on UNICE position paper of 10 May 2006)

- UNICE supports the European Commission's objective of increasing the overall coherence of European contract law as a contribution to a fully operational internal market and in the spirit of the better regulation agenda.
- UNICE does not object the idea of creating a Common Frame of Reference (CFR) in European Contract Law setting out general principles, definitions and model rules of contract law. However, it strongly opposes developing a European civil code or any binding instrument.
- It should be a handbook or toolbox providing elements that could be of assistance when revising or elaborating new legislation containing contract law provisions.

- UNICE has major concerns about this ambitious project:
 1. It is led by academics, often ignoring the real needs of the market. There is not yet coherence between the technical work and the political agenda. The Commission must set clear objectives and priorities. Proper coordination between the DGs concerned must also be ensured.
 2. The link with the consumer acquis review is not clear.
 3. New focus on consumer issues is welcome but implications in the area of business-to-business contracts should not be underestimated. The freedom of contract must be fully respected.
 4. Use and legal status of the CFR remains unclear: UNICE is firmly opposed to the idea of developing a European civil code or any binding instrument.
