

(Please click on the subject you are interested in or scroll down to have a look to all the @news)

### **MESSAGE FROM SECRETARY GENERAL**

- UK Presidency urged to shake Europe out of its lethargy

### **UNICE COMPETITIVENESS DAY 2005 – CROSSING FRONTIERS**

### **UNICE HIGHLIGHTS**

- Ernest-Antoine Seillière met Prime Minister Tony Blair on 6 October

### **INTERNAL MARKET**

- Services directive: postponement will allow for a streamlined and calm vote

### **ECONOMIC AND FINANCIAL AFFAIRS**

- The role of wage policy discussed in the Macroeconomic Dialogue
- Costs and benefits of relocation

### **LEGAL AFFAIRS**

- Trademark protection in the EU becomes more advantageous for companies
- Public papers recently adopted
- How to achieve consistent application of International Accounting Standards in the EU
- Work in progress

### **SOCIAL AFFAIRS**

- Twentieth anniversary of European social dialogue
- Working time directive: UNICE position
- Non-discrimination and equal opportunities for all: UNICE position
- Public papers recently adopted
- Work in progress

### **INTERNATIONAL RELATIONS**

- WTO: UNICE President meets Pascal Lamy to counter protectionism in Europe
- EU-Russia: UNICE Signs MOU with Russian Business Coordination Council (KSPS)
- EU customs: UNICE supports further simplifications
- Public paper recently adopted

### **INDUSTRIAL AFFAIRS**

- REACH: better regulation at risk
- Clean Air For Europe (CAFE) thematic strategy: Setting realistic ambition levels for air quality
- UNICE's comments on the revision of the EU Emission Trading Scheme and on the CDM
- FP7 – Whither now?
- Public papers recently adopted
- Work in progress

### **ENTREPRENEURSHIP & SMEs**

- UNICE reinforces the voice of SMEs at European level
- SMEs have their say at UNICE's Competitiveness Day!

### **PIN BOARD/EVENTS**

- Competitiveness in the new Member States: the case for Hungary
- Industry trilateral meets with Trilateral Patent Offices
- Commission colloquium on state aid for innovation



Membre de l'Union des Éditeurs de la Presse Périodique

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## MESSAGE FROM SECRETARY GENERAL

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Dear UNICE@news Readers,

### **UK Presidency urged to shake Europe out of its lethargy**



At the Hampton Court summit today, the European Council discusses the economic and social future of Europe. As entrepreneurs, we are expecting a strong message. The social model will only be sustainable if the reforms we need are put in place in the Member States. Those who want to defend the social systems, as we do, will have to reform them.

Some Member States have managed to introduce necessary reforms with success. However, others are still struggling in battles against movements which spread the illusion that the status quo is an option.

With the European strategy for growth and jobs, there is a roadmap to move forward. The Hampton Court summit must reinforce this and convince national governments to act in order to implement the strategy. It is up to them to act because most of the actions to implement this strategy have to be taken at that level. National leaders have a collective responsibility to work together and deliver. We can understand the reluctance to blame and shame. However, that should not prevent us from saying clearly that some of the biggest countries seem to have more difficulties to introduce necessary reforms. We have examples of successful reforms in some European countries. You could therefore fame some good practices.

European employers are willing to live up to their responsibilities, including through their engagement in the social dialogue at EU level. However, it is the EU institutions that bear the responsibility for moving Europe forward. Europe needs signals that political leaders intend to lead them out of this crisis. Difficulties will only increase if we do not act swiftly. The informal EU Council on 27 October must pave the way for overcoming the deadlocks and re-launching dynamism in the European project.

A handwritten signature in blue ink, which appears to read 'Philippe de Buck'.

Philippe de Buck  
Secretary General

# UNICE COMPETITIVENESS DAY 2005

20 OCTOBER 2005, BRUSSELS



For its third edition, UNICE's Competitiveness Day attracted more than 1,000 participants from all over Europe and beyond, who followed UNICE and its member federations' call for a more competitive Europe.

Held in the Hemicycle of the European Parliament on 20 October 2005, the Day was devoted to globalisation and its challenges.



Addressing business leaders and entrepreneurs, but also high-level decision-makers, speakers and panellists took part in very lively question-and-answer sessions, moderated by BBC journalist Michael Buerk.



European Commission, European Parliament, UK Presidency, UNICE membership, CEOs of companies large and small, trade unions, press and media all voiced the urgent need for more growth and employment. It was underlined that the informal European Council meeting in Hampton Court (UK) on 27-28 October must send a strong signal for economic reform.





At lunch time, a press conference gave UNICE President Ernest-Antoine Seillière, UNICE Secretary General Philippe de Buck and BDI President Jürgen Thumann the opportunity to present UNICE's latest brochure, "[Crossing Frontiers](#)" with key demands to the European institutions.



For further information, speeches, brochure, programme and pictures, please visit [www.unice.org](http://www.unice.org).

*Photos: Ivan Verzar © Imagima*

UNICE Competitiveness Day 2005 has been organised with the following media partners and sponsoring companies.



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## UNICE HIGHLIGHTS

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### ERNEST-ANTOINE SEILLIÈRE MET PRIME MINISTER TONY BLAIR ON 6 OCTOBER

UNICE President, Mr Ernest-Antoine Seillière, accompanied by CBI President, Mr John Sunderland, and CBI Director General, Sir Digby Jones, had a meeting on 6 October with UK Prime Minister and President of the European Council, Mr Tony Blair. UNICE took this opportunity to hand over to Mr Blair a letter describing the issues on which actions must be taken from the point of view of the European business community: European institutions, European social model, financial perspectives and the internal market. Mr Blair shared his views with UNICE and agreed on the need to recover European citizens' confidence in European affairs in order to move forward. The

President of UNICE reminded the Prime Minister of the urgent need to solve governance problems in the European Union, not only because it is very important for the confidence of the citizens but also for the confidence of business.

Furthermore, the UNICE-CBI delegation took the opportunity to visit the Secretary of State for Trade and Industry, Mr Alan Johnson, President of the European Competitiveness Council. President Seillière asked Mr Johnson for more political will and a more horizontal approach in the Council formation. Similar messages were delivered at the Tripartite Social Summit on 24 October.

For further information, please consult [UNICE press release](#), [UNICE letter to Prime Minister Blair](#) or [speech by UNICE President Ernest-Antoine Seillière at the Tripartite Social Summit](#).

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## INTERNAL MARKET

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### SERVICES DIRECTIVE: POSTPONEMENT WILL ALLOW FOR A STREAMLINED AND CALM VOTE

The Internal Market Committee of the European Parliament decided to postpone the vote on the draft services directive and rescheduled it for 22 November with the plenary vote now likely to be held in January 2006. This delay means that Committee members and political groups will have more time to clarify positions, simplify a complex voting list (with about 1,500 amendments) and table improved compromise amendments.

The negotiations on compromise amendments in the run-up of the vote are not proving too successful and although discussions between political groups continue, it is highly unlikely that a solid compromise will be found between the main groups, namely Party of European Socialists and European People's Party (in coalition with ALDE and UEN) which start from positions that are difficult to reconcile.

UNICE continues to follow this debate with the greatest attention and urges Members of the European Parliament and especially of the Internal Market Committee to search for an equilibrium that guarantees a meaningful directive which will achieve the objectives of the removal of obstacles to cross-border trade in services and creation of a well-functioning internal market for services.

This directive should:

- preserve a horizontal/cross-service approach,
- ensure a broad scope of the directive,
- provide for a broad application of the country of origin principle although some adjustments and clarifications are needed,
- provide for an efficient system of control and supervision by national authorities.

For further information, please contact [Carlos Almaraz](#) or consult [UNICE letter](#).

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## THE VOICE OF BUSINESS IN EUROPE

Avenue de Cortenbergh 168 - B-1000 Brussels - Tel: +32(0)2 237 65 11 - Fax: +32(0)2 231 14 45 - - [main@unice.be](mailto:main@unice.be)

### THE ROLE OF WAGE POLICY DISCUSSED IN THE MACROECONOMIC DIALOGUE

The autumn round of the Macroeconomic Dialogue, which culminates with the political level meeting on 8 November, started with a first discussion between the Commission, ECB, the UK presidency and social partners on 28 September. Two related issues were on the agenda: (i) the economic outlook and appropriate policy mix for Europe, and (ii) the role of wage policy in the wider context of European economic governance.

Regarding the current and projected economic conditions, UNICE shared its concern that the vulnerability of the recovery, the persistence of depressed expectations and ineffective macro-economic policies all point to the fact that Europe's growth potential is uncomfortably low. This led to one obvious conclusion: Lisbon has to be re-

activated urgently, with a clear focus on implementation of the National Action Plans.

As far as wage policy is concerned, in today's environment combining low trend productivity growth and high oil prices, UNICE warned against repeating the mistakes of the past. The experience of the previous two oil shocks painfully illustrates that, in similar circumstances, inappropriate wage-setting can have devastating and long-lasting consequences for labour market prospects. Wage moderation has proved beneficial in the past, leading to a gradual rise in the employment rate in Europe since the mid-1990s. This policy has to be pursued to ensure high, non-inflationary, and job-creating growth.

For further information, please contact [Marc Stocker](#).

### COSTS AND BENEFITS OF RELOCATION

Western European companies relocating some of their activities to other places in the world have recently received a great deal of media attention and stirred up anxieties. However, relocation, defined as the transfer of production or services to other countries, presents only 7% of all job losses in European enterprises, as shown by the European Monitoring Centre on Change. Nevertheless, relocation is part of a wider phenomenon of accelerated globalisation and structural change with momentous consequences for European society.

In a new position paper UNICE explains why European companies develop a global business strategy. They are motivated by cost advantages, but also more often than not by the will to gain access to growing foreign markets.

The position paper points out the many economic benefits for the host as well as for the relocating country. For example, consumers everywhere have been profiting from cheaper products and services thanks to a globalised value chain. In order for overall benefits to set in, however, new jobs must be created in Europe with the freed economic resources, and displaced workers need the required skills to fill the newly created positions. The less flexible and open a country is, the longer it takes for the economic benefits to set in and the higher the social costs will be.

The current danger of the relocation debate is that the crucial elements which turn relocation into a win-win situation - flexibility and openness - will be undermined by protectionist pressures. Giving in to protectionism will only increase the social costs of relocation.

For further information, please contact [Folker Franz](#).

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## LEGAL AFFAIRS

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### TRADEMARK PROTECTION IN THE EU BECOMES MORE ADVANTAGEOUS FOR COMPANIES

The European Commission has decided to lower the fees payable to OHIM for Community trademarks (CTMs) after a favourable opinion of EU Member States. According to the Commission, this decision will result in important cost savings for companies of between EUR 37 and 40 million a year. The reductions include:

- a lowering of the CTM application fee from EUR 975 to EUR 900;
- a lowering of the CTM registration fee from EUR 1,100 to EUR 850;
- a lowering of the fee for renewing the registration of a CTM from EUR 2,500 to EUR 1,500.

- a lowering of the fee for electronic renewals to EUR 1,350.

The fee reduction will enter into force before 1 November 2005, enabling companies which filed their CTM applications in 1996 to renew their registration for a further period of ten years already at reduced costs.

UNICE has always supported a fee reduction for CTMs, especially for application/registration and renewal fees.

For further information, please contact [Ilias Konteas](#).

### HOW TO ACHIEVE CONSISTENT APPLICATION OF INTERNATIONAL ACCOUNTING STANDARDS IN THE EU

After their official EU adoption on the first of January 2005, International Financial Reporting Standards (IFRS, formerly known as IAS) have to be applied by companies listed on EU stock markets. The major objective of the EU move towards IFRS is to ensure that Europe's biggest companies achieve a high degree of consistency in their accounting practice and thus become more attractive for international investors.

Companies are currently in a learning phase when applying IFRS. In consequence there is a certain amount of uncertainty about how to interpret and apply certain standards' requirements. In the past, interpretation issues could be addressed to national standard-setting institutions in each country. With the International Financial Reporting Interpretations Committee (IFRIC) now being the only body interpreting IFRS, the question has

arisen as to whether consistent application in the EU might require the EU to have its own interpretative body.

In a letter responding to a discussion paper on that subject by the European Financial Reporting Advisory Group (EFRAG), UNICE came to the conclusion that no EU body for interpretation would be advisable, because only when consistency is – globally! - achieved will IFRS generate the expected benefits for companies. Therefore no other body but IFRIC must interpret IFRS.

However, it must be assured that IFRIC does fulfil the needs by European companies, and UNICE therefore proposes a European support group to prepare IFRIC agenda papers and issue suggestions for interpretative texts. UNICE supports EFRAG for chairing and coordinating such a support group.

For further information, please contact [Folker Franz](#).

## PUBLIC PAPERS RECENTLY ADOPTED

- UNICE letter to IASC (Mr Tom Sedenstein) on [achieving consistency of application of IFRS in the EU](#)
- UNICE letter to IASB on [IASB technical corrections policy](#)
- UNICE response to EESC's questionnaire on the [legal framework for consumer policy](#)

## WORK IN PROGRESS

- UNICE statement on patent law harmonisation and grace period
- UNICE comments on IASB Project "Business Combinations Phase II"

## SOCIAL AFFAIRS

### TWENTIETH ANNIVERSARY OF EUROPEAN SOCIAL DIALOGUE

■ On 29 September 2005, President Barroso convened a social dialogue summit celebrating the twentieth anniversary of the EU social dialogue. In a joint press release issued on this occasion, UNICE, UEAPME, CEEP and ETUC recalled that during the past 20 years, the EU social dialogue has contributed to the success of crucial European projects. Having strongly supported enlargement of the European Union and participated in the work of the Convention, the European social partners backed the Constitutional Treaty as a balanced compromise to improve governance in a European Union of 25 Member States. They now intend to continue contributing constructively to the EU integration process. But the EU social dialogue counts on the EU Council

and on the Commission to give a clear signal that they intend to steer Europe out of its lethargy.



*Source: European Commission*

For further information, please contact [Thérèse de Liedekerke](#) or consult the [joint press release](#) or [speech by UNICE President Ernest-Antoine Seillière](#).



## WORKING TIME DIRECTIVE: UNICE POSITION

■ UNICE has recently finalised its position paper on the amended Commission proposal for a revised working time directive.

If the EU is to achieve its growth and jobs strategy, the priority should be the creation of new jobs and integration of more people in the labour markets. The amended Commission proposal would create further obstacles to achieving this objective.

European companies call on the Council, the Commission and the European Parliament to ensure an effective revision of the working time

directive in order to deal with the ECJ ruling on on-call time, while preserving overall working time flexibility. The revised directive should:

- explicitly make provision for opt-outs to be available by two independent means: either by collective agreement or by individual consent as opposed to a combination of both,
- average the reference period for calculating weekly working time over 12 months as a general rule, with a possibility to extend it beyond 12 months by collective agreement;
- ensure that inactive part of on-call is not considered as working time.

For further information, please contact [Lorena Ionita](#) or consult [UNICE position paper](#).

## NON-DISCRIMINATION AND EQUAL OPPORTUNITIES FOR ALL: UNICE POSITION

■ Ensuring non-discrimination and promoting equal opportunities on the labour market makes business sense. UNICE is committed to it and has taken important initiatives to this end, notably through the European social dialogue. European employers assessed the Commission proposal for a European framework strategy. They regret that the Commission was not able to propose a truly integrated approach for non-discrimination and equal opportunities policies on all grounds of discrimination already tackled by EU legislation (gender, age, racial origin, ethnic origin, religion and belief, disability, sexual orientation) and that separate policies on gender are planned.

UNICE also recalls that, to be effective, future action to promote equal opportunities has to be developed in consultation with employers to avoid strategies which fail to take into account business needs or will prove ineffective in their aim due to insufficient consideration of business realities. Finally, UNICE stresses that there is no need to further expand EU anti-discrimination legislation and is therefore opposed to the Commission's proposal for a feasibility study concerning possible new initiatives to complement the current legal framework in 2006. For the future, attention should be focused on reviewing the implementation in practice of the new rights stemming from the existing EU directives.

For further information, please contact [Jeanne Schmitt](#) or consult [UNICE position paper](#).

## PUBLIC PAPERS RECENTLY ADOPTED

- UNICE position on the Commission [amended proposal for the revision of the working time directive](#)
- UNICE position on the [Commission framework strategy "Non-discrimination and equal opportunities for all"](#)

## WORK IN PROGRESS

- UNICE position on the proposal for a directive on supplementary pension schemes
- UNICE response to the Commission consultation on a European Qualifications Framework
- UNICE report on national social partners' actions to promote the orientations of reference on managing change and its social consequences

## INTERNATIONAL RELATIONS

### WTO: UNICE PRESIDENT MEETS PASCAL LAMY TO COUNTER PROTECTIONISM IN EUROPE

UNICE President Ernest-Antoine Seillière met Pascal Lamy, the Director General of the WTO, on 18 October to present UNICE's views in support of the Doha Development Agenda negotiations. "An ambitious and successful Hong Kong Ministerial Conference is vital for European business, which has been supporting the Doha Development Agenda negotiations from the very beginning", President Seillière said.

European business is seeking vastly improved market access for goods and services in OECD and emerging countries in the DDA as well as



significant improvements in trade rules such as



trade facilitation (border and customs procedures) in the DDA negotiations. UNICE cannot accept that agricultural protectionism holds the round hostage.

President Seillière indicated that UNICE would mobilise at all levels to pursue ambition in all aspects of the DDA negotiations. President Seillière was accompanied by Philippe de Buck, Secretary General of UNICE, Jacques Desponts, Chairman of the UNICE WTO Working Group and Reinhard Quick, Vice-Chairman.

For further information, please contact [Adrian van den Hoven](#).

## EU-RUSSIA: UNICE SIGNS MOU WITH RUSSIAN BUSINESS COORDINATION COUNCIL (KSPS)

At the plenary of the EU-Russia Industrialists Round Table in London (UK), Philippe de Buck, Secretary General of UNICE and Alexander Shokhin KSPS (regrouping the Russian Union of Industrialists and Entrepreneurs, Business Russia and Opora of Russia) signed a Memorandum of Understanding to strengthen cooperation between European and Russian business organisations. The

MOU also included a joint statement calling for an EU-Russia Free Trade Agreement to replace the Partnership and Cooperation Agreement. In the meantime, UNICE and KSPS asked for urgent implementation of the Common Economic Space to boost trade, investment and competitiveness in Greater Europe.

For further information, please contact [Adrian van den Hoven](#).

## EU CUSTOMS: UNICE SUPPORTS FURTHER SIMPLIFICATIONS

In its 6 October preliminary comments on the draft implementing provisions of the Community Customs Code, UNICE calls for a fundamental revision of the present draft so as to seize the opportunity to simplify procedures and achieve true trade facilitation for European companies. UNICE fully endorses the objective of granting a special status to reliable companies with high accounting

and security standards, insofar as this status results in reducing costs for business through facilitation and simplification. In the draft implementation regulation, however, the procedure for obtaining the special status is subject to complex conditions, whereas the actual benefits remain insufficient. Specific comments on the proposed new articles of the implementing provisions are also included.

For further information, please contact [Carlos Gonzalez-Finat](#) or consult [UNICE position](#).

## PUBLIC PAPER RECENTLY ADOPTED

- 6 October UNICE preliminary comments on the [draft implementing provisions of the Community Customs Code](#)

### Your OPINION?

Your comments and/or suggestions are welcome.

Please do not hesitate to e-mail them to our Communication Department at <mailto:unice.news@unice.be>.

For more information about UNICE and its member federations, consult UNICE's website at [www.unice.org](http://www.unice.org).

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## INDUSTRIAL AFFAIRS

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### REACH: BETTER REGULATION AT RISK

■ Commenting on the vote of the European Parliament Environment Committee on 4 October, UNICE is disappointed by the outcome as it is a step backwards in the strategy to cut red tape in EU draft laws and to improve their cost-effectiveness.

Better regulation will not be achieved unless a genuine risk-based approach is retained for the registration of substances, in particular for low volumes. In addition, OSOR (One Substance One

Registration) would not be a reasonable system if it does not include a workable opt-out clause for confidentiality purposes. Finally, a limitation to five years for the authorisation of a chemical proved to be safe would be very bureaucratic.

UNICE will work closely with Parliament representatives to find workable proposals ahead of the plenary vote in November.

For further information, please contact [Nadine Toscani](#).

### CLEAN AIR FOR EUROPE (CAFE) THEMATIC STRATEGY: SETTING REALISTIC AMBITION LEVELS FOR AIR QUALITY

■ On 21 September the European Commission proposed a comprehensive 15-year programme to improve EU air quality.

This is the first step of an initiative to consolidate existing EU laws on air quality standards; it will be followed by the revision of the National Emissions Ceilings Directives. Beyond this, the CAFE thematic strategy also sets out an orientation for future measures for political debate.

UNICE will encourage decision-makers to address two key aspects when devising future measures on air quality:

- Air quality is influenced by a wide range of emission sources. Given the significant reductions already made by industry (approximately 60% of the maximum improvement theoretically achievable between 2000 and 2020), other sources are becoming

increasingly more important contributors (e.g. agriculture and domestic wood burning). In order to devise the right set of measures the full range of sources need to be examined - focusing on industrial emissions will only lead to partial improvements - .

- Decisions for investments have to be made in the most cost-efficient way and this requires a comprehensive and robust understanding of the various sources: rather than requiring industry to improve further and at disproportionate cost, and beyond already current legislation, decisions should encourage investments to tackle environmental challenges where industry can contribute with maximum return.

UNICE looks forward to participating in the revision of the National Emissions Ceilings Directives, which will continue this important work.

For further information, please contact [Nadine Toscani](#).

## UNICE'S COMMENTS ON THE REVISION OF THE EU EMISSION TRADING SCHEME AND ON THE CDM

The EU Emission Trading Scheme Directive (2003/87/EC) is currently under review. In that context, UNICE has recently adopted a position paper outlining the key issues, which should be assessed by the European Commission before it launches a proposal on 30 June 2006 for amending the directive.

The key points of the UNICE position are as follows:

- There needs to be a major harmonisation effort, in particular regarding the definitions that member states use to categorise industrial installations.
- Inclusion of non-industrial sectors such as aviation in emissions trading should be studied carefully;
- SMEs with low emissions should be excluded from the scope of the scheme;
- Revision of the directive should not incorporate restrictions on access to the emission credits generated by the Kyoto mechanisms.

UNICE urges that the future development of EU strategy reflects the result of upcoming international negotiations on post-2012.

Furthermore, UNICE calls on the Commission to study in depth the direct as well as the indirect impacts, such as higher electricity prices, of the trading scheme and to make recommendations of measures to be taken, where appropriate, for their correction.

UNICE has also adopted a position on the Clean Development Mechanism (CDM) recently, in which UNICE strongly recommends an efficient approval process for existing and forthcoming projects and no limitation on the use of the credits created through these projects.

Industry believes that a fully functioning CDM will play a significant role in the transfer of new and existing technologies and enhance sustainable development in host countries. Such developments could promote the concept of international emissions trading and enhance future negotiations post-2012.

For further information, please contact [Daniel Cloquet](#) or [Miriam Munnich](#), or consult [UNICE position on ETS review](#) or [UNICE position on CDM](#).

## PUBLIC PAPERS RECENTLY ADOPTED

- UNICE position on the [2006 review of the EU ETS Directive](#)
- UNICE position on the [Clean Development Mechanism \(CDM\)](#)

## WORK IN PROGRESS

- UNICE position on the possible inclusion of aviation in the EU Emissions Trading Scheme (ETS) Directive
- UNICE position in advance of the proposed mid-term review of the 2001 Transport White Paper

## FP7 – WHITHER NOW?

Depending on which way one looks at it, the Seventh Research Framework Programme proposals (FP7) are either ‘stuck in the mud’ or moving forward regardless. At least that is the impression one gets.

On the one hand the proposals on the table are dependent on a proposed doubling of the available budget (to just over EUR 67 billion) over a seven-year period. On the other hand the current ‘financial perspectives’ impasse means that there is no member-state agreement to this proposed doubling and given the divergence of views on the financial perspectives (between net contributors and recipients) it is difficult to see it happening.

Whilst this means that agreement on the budget for FP7 is outstanding in the Council, it has not meant that the debate on the issue is also at a standstill.

The nominated rapporteur for the issue in the European Parliament Jerzy Buzek (EPP, PL) has produced a second working document on the issue. This document takes stock of several exchanges of views on FP7 in the ITRE Committee over the last

few months and is a good indication of where current thinking stands on this issue in the EP.

More interestingly, DG Research has also been busy. It has produced the detailed programmes aimed at implementing the various FP7 ‘headings’ (i.e. capacities, cooperation, ideas and people). The catch being of course that the programmes that have been outlined are dependent on the budget being doubled...

And perhaps the final, most interesting development is the fact that the UK Presidency has in the last few days announced that, based on discussions in the most recent Competitiveness Council, the Presidency will present a compromise redraft of the Commission's proposal on FP7 in advance of the next Competitiveness Council (which will focus in particular on the ERC and research ethics).

All of which brings us neatly back to our starting point. Whither now for FP7? The issue is deadlocked because of the financial perspectives impasse but that does not mean that developments are not still taking place.

For further information, please contact [Vincent McGovern](#).

## ENTREPRENEURSHIP & SMEs

### UNICE REINFORCES THE VOICE OF SMEs AT EUROPEAN LEVEL

On 1 October 2005, UNICE had the honour of welcoming a new Chairman for UNICE's Entrepreneurship & SME Policy Committee: Mr **Arndt G. Kirchhoff**, Chairman, owner and CEO of Kirchhoff Automotive GmbH & Co. KG, based in Germany.

Under the leadership of Mr Kirchhoff and the two Vice Chairs, Ms **Signhild Arnegård Hansen** (CEO of Svenska LantChips AB, based in Sweden) and Mr **Hugh-Morgan Williams** (Chairman Canford Group plc, based in the UK), UNICE will reinforce its action to state the concerns of entrepreneurs and SMEs and push for change at European level: ‘Let SMEs grow!’

#### Chairmanship of UNICE's Entrepreneurship & SME Committee



Chairman  
Arndt G. Kirchhoff,



Vice Chairs  
Signhild Arnegård Hansen and Hugh Morgan Williams

For further information, please contact [David Coleman](#).

## THE VOICE OF BUSINESS IN EUROPE

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## SMES HAVE THEIR SAY AT UNICE'S COMPETITIVENESS DAY!

As illustrated by the title "Crossing Frontiers", this year's Competitiveness Day was placed under the theme of globalisation.



Ms. Signhild Arnegård Hansen, Vice Chair of UNICE's Entrepreneurship & SME Committee participated in the panel of UNICE's Competitiveness Day on 20 October 2005 dedicated to "paths to success". She had the opportunity to voice her own experience in "going global".

One of the five global approaches UNICE advocates to EU policy-makers in order for the EU to rise to the challenges posed by globalisation, is the need to provide SMEs with easier access to growing markets.

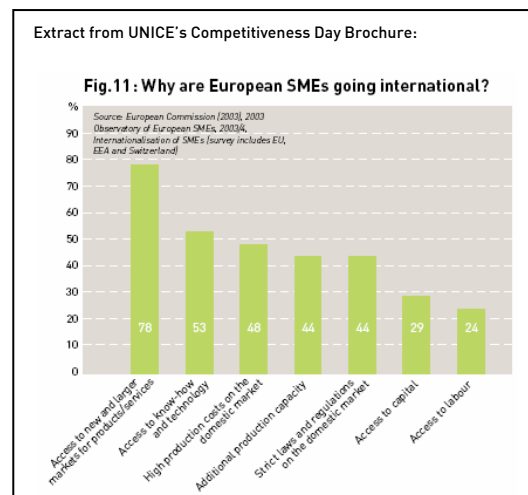
European SMEs are increasingly internationalised through foreign supply, trade and investment. Many of them are looking abroad to expand, invest, grow and thus create new jobs in foreign as well as domestic markets. A survey by the European Commission shows that SMEs go international to search for new market opportunities rather than, for instance, to look for lower labour costs.

The EU therefore needs to make sure that international policies, such as export-credit insurance, help SMEs go global by addressing trade and investment risks.

The EU must ensure that SMEs gain much needed access to finance to foster growth and create jobs in

Europe. US firms have much more access to venture capital.

The EU should also strengthen its capacity to enforce international trade commitments (IPR, trade defence instruments, etc.) to ensure that European SMEs are not harmed by trade violations.



In view of the Competitiveness Day, Mr Arndt G. Kirchhoff, Chairman of UNICE's Entrepreneurship & SME Committee stated: "The internationalisation of SMEs improves their performance and competitiveness. If European entrepreneurs are to continue to be the engine for growth and jobs in Europe, policy-makers must take steps to reduce international risks for SMEs and help them take the leap forward into the global arena."

For further information, please contact [David Coleman](#) or consult [UNICE's Competitiveness Day brochure](#).

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## PIN BOARD / EVENTS

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### COMPETITIVENESS IN THE NEW MEMBER STATES: THE CASE OF HUNGARY

On 18 November 2005 the Brussels office of the Confederation of Hungarian Employers and Industrialists (MGYOSZ) is organising in Brussels its first public event, with keynote speakers including Commissioner J. Almunia, UNICE Secretary General P. de Buck and Hungarian Minister for European Affairs E. Baráth.

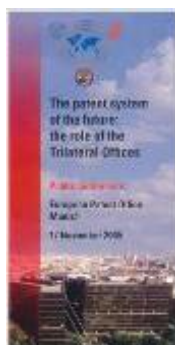
The aim of the conference is to review the competitive strengths and weaknesses of the new Member States, with a special focus on Hungary.



Participation is free of charge, but preliminary registration is necessary. For further information, please contact [MGYOSZ Brussels Office](#).

### INDUSTRY TRILATERAL MEETS TRILATERAL PATENT OFFICES

On 17 November 2005, the EPO is organising in Munich a public event for the users in Europe, USA and Japan on the evolution of the patent systems in those regions in the context of the meeting of the Trilateral Patent Offices (EPO, USPTO, JPO). EPO President Pompidou, as well as US Commissioner John Dudas and Japanese Commissioner Nakajima will



present developments in the patent systems in their regions.

The Industry trilateral (UNICE, IPO/AIPLA and JIPA) will also have a special contact with the Patent Offices Trilateral to present progress in their discussions on one application, one format, one search, and to have an exchange of views with the Offices on their work-programme.

For further information, please contact [Ilias Konteas](#) or visit [www.trilateral.net](http://www.trilateral.net).

### COMMISSION COLLOQUIUM ON STATE AID FOR INNOVATION

Following the adoption by the European Commission of the Communication on state aid and innovation, DG Competition is organising an Innovation Day on 17 November.

For further information, consult the [programme](#) or register at [stateaidgreffe@cec.eu.int](mailto:stateaidgreffe@cec.eu.int).