



## **“The voice of SMEs in Europe”**

### **Press Release**

FOR IMMEDIATE ISSUE

#### **Spring Summit conclusions lack of substance on energy policy and structural reforms**

**Brussels, 9 March 2007.** UEAPME, the European craft and SME employers’ organisation, was deeply disappointed by the conclusions reached by the European Spring Summit that came to a close today (Friday). The Council declarations on the future EU energy policy fell short of what is needed to create a truly functioning internal market in the sector. Moreover, the Summit failed at leveraging the current economic revival to introduce new commitments to structural reforms.

No significant progress was made on the highly controversial issue of a common EU energy policy. UEAPME Secretary General **Hans-Werner Müller** was particularly vocal on this point. *“The Summit acknowledged that Europe is very far from achieving a competitive and interconnected internal market for energy. However, it stopped there, failing to bring in effective measures such as complete ownership unbundling. Moreover, the internal market for energy will never see the light of day without an independent and powerful European regulatory competence, which is totally missing from the Council conclusions”*, he said.

UEAPME believes that ownership unbundling, whereby supply and production activities on one side and network operations on the other cannot be owned by the same provider, is the only workable way to open the European energy markets. Current operators in the sector have been acting like “de facto” monopolies by using high network prices and low electricity prices as a combined barrier to market access, burdening small businesses with excessive and unjustified prices. Furthermore, an EU-wide regulator is the only system to avoid national vested interests and control overindulging national regulators.

Commenting on the Presidency conclusions on the Lisbon Strategy, Mr Müller continued: *“Member States went on at length congratulating each other on their recent economic performances. However, when it comes to substance, one can easily sense the underlying lack of trust and confidence. In fact, no new concrete commitments came out of this Summit, and Member States will not be prepared at all by the time the next economic downturn comes.”*

According to UEAPME, the Spring Summit was a missed opportunity to speed up the reform process in some key areas. For instance, Member States steered clear from renewed efforts on the Community Patent, which would solve the current hurdles on patent costs and litigation and effectively foster innovation. On labour market reforms, businesses’ expectations were not met by the Summit conclusions, which do not bring up the issue of the integration of low qualified workers into the labour market. UEAPME had called for new instruments in this respect, as well as for a thorough revision of national taxation and social protection systems, both of which are absent from the text.

*“Europe will not be able to reach the Lisbon goals and catch up with its international competitors unless Member States step up to the plate and leave their short-term self-interests behind. We call on the German Presidency to ensure that consensus on these crucial issues is reached at the June European Council”*, concluded Mr Müller.

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**EDITORS’ NOTE:** UEAPME is the employers’ organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 81 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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