



EUROPEAN ECONOMIC AND
SOCIAL COMMITTEE

EMPLOYERS' GROUP

Group I Internal

Newsletter of the Employers' Group

SEPTEMBER 2011

Inside this issue:

Members' Voices: 2

- David Croughan

Group I Events: 3

- Debate with Philippe Vasseur on Corporate Social Responsibility

4

- Debate with Anna Maria Darmanin on effective communication

Members' Life: 5

- Debate with Philip Lowe on Europe's energy challenges

6

- Milena Angelova: Public hearing: Corporate Governance Framework

7

- Stefano Mallia: Public hearing: Online gambling

8

- Brenda Kind at the World Diversity Leadership Summit

- Madi Sharma: Sustainable development through microfinance

9

- Henri Malosse at the Lithuanian Seimas and LCI

- Video message by Henri Malosse at the Internet Governance Forum in Kenya

Calendar of 10

- Group I's meetings

September Plenary:

- Group I's opinions and amendments

EDITORIAL BY HENRI MALOSSE

Has the time come to improve the image of Europe around the globe?

Foreign policy is one of the key advances of the Lisbon Treaty and there are strong expectations from the outside world vis-à-vis the European Union. But **the image of Europe from the outside is currently not very good because there is a general lack of awareness and a blurred image due to the superposition of the actions of Member States and the EU.** On the other hand, the growing gap between the reputation of Europe and the reality: nervousness over globalisation, rejection of migrants at the borders, extremism vis. the tragedy in Norway, at times unethical practices by some European investors... Also Europe appears more as a "lesson generator" than as a solution provider. Cooperation instruments are complicated and bureaucratic.



In this regard, the private sector is at the forefront, both in terms of contacts and also because it is the first concerned by the consequences of globalisation.

Is it not long overdue that we launch some concrete projects?

- A European code of ethics for European investors and exporters
- Specific initiatives to support the consolidation of European business worldwide;
- Actions to raise awareness of the EU: organising "Festival of Europe" in cooperation with the European private sector; developing programs for "visitors" and introducing them further to civil society; using social networks to raise awareness of the achievements of the European project.
- An audit of European programs for hosting for-

eign students by assessing their added value to the initiatives of Member States. A workshop on this issue including the private sector and various foundations could be used to identify ways to streamline and expand these programs to make the EU become really attractive.

- Another audit of the support programs for EU investment and exports, seeking synergies between Member State and EU initiatives.

Such projects would only make sense, in my opinion, if they were part of a comprehensive and ambitious strategy allowing the **European Union to take full advantage of globalisation with a positive and powerful image worldwide.**

It would be essential to **assert the EU's uniqueness as a political construction with a specific message and a more determined commitment in favour of the idea of regional integration, particularly in the Mediterranean.**

I also feel the need for **greater coherence between the political aspects of Development, Aid and Trade in European policies.**

We need to better sell Europe vis-à-vis our foreign partners, not only to businesses but also to students, researchers, and the entire Civil Society. **"Schengen" is what foreigners know best when they think of Europe, but we should improve and demonstrate the advantages of this European achievement instead of making it an "obstacle course" or a "punishment".** Is it not the role of the economic milieu and primarily the role of the business community, to become the spearhead of a campaign aimed at improving the image of Europe in the world?

Henri Malosse
President of the Employers' Group

MEMBERS' VOICES



David Croughan (IE)
Member of Group I

“coming from an economy that was ‘top of the class’, but without scrutiny and inadequate surveillance of banking which led to its crisis”

“revitalisation and sustainability of manufacturing industry, where workforce skills and innovation will forge and maintain a competitive place for the EU”

David Croughan graduated from Trinity College Dublin with degrees in Business and Philosophy. He pursued a career in economic consultancy, working for the Economist Intelligence Unit, Business International and Peat Marwick Mitchell (now KPMG). Joining Ireland’s premier business lobby group – the Irish Business and Employers Confederation, **he was first Chief economist and then Head of economics and taxation**, from which he retired at the end of 2010. From 1990 to 2002 he was a sherpa to the Board of the Association for the Monetary Union of Europe (Paris) and was appointed one of the European Commission’s lecturers on the euro. During the eventful 2007-2010 period, he was **chairman of BUSINESSEUROPE’s influential Economic and Financial Affairs Committee and as such took part in the bi-annual Macroeconomic Dialogue with the European Commission.**

Mr. Croughan’s main priorities in the EESC are to contribute to the development of a model of economic governance that is fit for

purpose in a monetary union. Clearly the Stability and Growth Pact was a totally inadequate macroeconomic tool concentrating on a far-too-limited set of metrics. He shares “Coming from an economy that was ‘top of the class’ against this yardstick, there was no scrutiny of the build-up of structural imbalances and totally inadequate surveillance of banking and financial flows that led to its crisis”.

We must ensure that the evolution of the Euro Semester process in combination with the structural reforms of the Europe 2020 are robust enough for the task and that Member State Governments give the process far more credence than they did to the SGP or the Lisbon Agenda. More effort should be placed on growth and employment.” He believes that the proposal for a Common **Consolidated Corporate Tax Base will not be viable** as more Member States (and indeed companies) focus on who are likely to be the winners and losers in this complex upheaval.

Nominated by the Institute of Directors (Scotland), **George Traill Lyon** joined EESC in October 2010. He comes from an “in-house” career as a **corporate lawyer in a number of key sectors (aircraft; offshore oil and gas; merchant shipbuilding; facilities management; ICT; and defence) of the engineering industry in the United Kingdom**, working within both legal jurisdictions (Roman-Dutch and Common Law). He has extensive experience of commercial legal work, both domestic and international, together with roles in policy, strategy and management.

Living within an agricultural and fishing community, Mr. Lyon explained: **“a measured and fair reform of the CAP and CFP are critical issues over the short-term**, and I hope to extend my interests in the Committee, in the longer-term, to a broader range of issues, such as the **revitalisation and sustainability of manufacturing industry, where workforce skills and innovation will forge and maintain a competitive place for the EU** in the global market”.



George Traill Lyon (UK)
Member of Group I

GROUP I EVENTS

Group I's Debate with Philippe Vasseur on Corporate Social Responsibility, 21 September



On 21 September 2011, Henri Malosse, President of the Employers' Group of the EESC hosted a debate with Philippe Vasseur, President of the World Forum Lille and the Alliances network, and President of the Nord-Pas-de-Calais Regional Chamber of Commerce and Industry. The discussion was themed on Corporate Social Responsibility, and what the EU can do to support responsible businesses, and included the question of **whether there is room for business ethics in the current economic crisis**.

In his presentation, Mr. Vasseur argued that the business world can no longer be considered from only a shareholders' point of view; instead, all stakeholders need to be taken into account.

A responsible business improves economic performance, while at the same time respecting social and environmental issues. Furthermore, recent surveys have showed that an overwhelming majority of businesses realise the importance of responsibility. Mr. Vasseur mentioned several examples of companies that led by good practice, both on social and environmental fronts. He stressed that innovation was crucial, and led to more competitiveness. Key points raised during the debate included the **importance of SMEs, combating discrimination in the workforce, and the importance of responsibility** across various sectors.



GROUP I EVENTS

Group I's Debate with Anna Maria Darmanin on Effective Communication, 13 July

On 13 July 2011, Henri Malosse, President of the Employers' Group of the EESC hosted a debate with Anna Maria Darmanin, Vice President of the EESC in charge of Communication. The discussion was themed *How to communicate with the press and media* and included **the challenges facing the Committee: the popularity of the EESC, the influence over EU policies, newsworthiness and 'attractiveness' of Committee opinions.**

In her presentation, Ms Darmanin recommended the **involvement of the press office in policy documents, writing quotable and headline-worthy speeches, as well as generating media focus as soon as work on key opinions begins.**

Key points raised during the debate which followed included: **establishing sub-sectional groupings in all domains, with knowledgeable participants; should the EESC compete with the European Parliament?; and should the EESC have a crisis committee?**

One headline-worthy comment included "should we not consider the alternatives to slavish support for the masochistic austerity which is going to deprive and marginalise a generation of citizens".



MEMBERS' LIFE

Debate with Philip Lowe on Europe's Energy Challenges, 14 September

On 14 September 2011, the President of the Employers' Group, Henri Malosse, hosted a debate with Philip Lowe, Director-General for Energy, co-organised with Espace Europe Equipement. Entitled *The Future of the European Energy Policy, Energy Efficiency and European Energy Independence*, the event was attended by representatives of industry, regional governments and civil society organisations. In his opening address, Mr. Malosse reminded of **the economies of scale which could be achieved if Europe works together in building a functioning European energy market**. He mentioned that **one of his key political priorities includes common actions on European energy policy, and promoting Europe-wide coordinated initiatives, especially on energy, which is a key job creating sector**.

Maryse Coppet, President of Espace Europe Equipement, discussed opening the energy sector to competition and discussed aspects of the future of European energy.

“large economies of scale which could be achieved if Europe works together in building a functioning European energy market”

Philip Lowe, Director-General of DG Energy, called for **affordable energy, accessible at all times with no insecurity of supply**. He stated that technological challenges in Europe will only be overcome through successful interaction and effective government. According to him, the 20-20-20 goals are not as well on track as possible, and **Europe needs to invest € 50 billion in technology over the next 10 years**.

He stated “there is a need for technology which is effective, innovative, commercially viable without subsidies and accepted by the public.” Mr. Lowe identified the main problems as the lack of physical interconnections, and the poor functioning European energy market. He repeated the **importance of competitiveness, sustainability, security of supply and solidarity**. He suggested that the market for renewable energy sources needs to be developed with Member State support.



MEMBERS' LIFE

Milena Angelova at the Public Hearing on 'The EU Corporate Governance Framework', 2 September

On 2 September 2011, the EESC held a public hearing in Sofia upon the request of the rapporteur of the opinion The EU Corporate Governance Framework INT/581, Milena Angelova, Vice-President of the Employers' Group. Keynote speakers included Henri Malosse, President of the Employers' Group of the Committee, Ralph Resch, Secretary General of CEEP, Stoyan Mavrodiev, Chairman of the Bulgarian Supervision Commission and Vasil Velev, Chairman of the Bulgarian Industrial Capital Association.



The participants of the event discussed **better management of the board of directors, the appropriate engagement of shareholders, as well as the application of the "comply or explain" approach** which underpins the EU corporate governance framework. As a main conclusion was cited **"companies need more flexibility if they are to thrive and survive."**

Despite the fact that Member States' national corporate governance codes address most of the issues raised in EC's Green Paper, **more focus should be placed on improved monitoring, the effective application of legislation and on encouraging unlisted companies to accept such codes.** The EESC supports the efforts to improve corporate govern-



ance in the European Union by optimising the system of legislation and "soft law" (i.e. codes), but renews its call for a more precise and robust definition of corporate governance and for a clear distinction between the existing systems.

You can find more information about the event here:
<http://www.eesc.europa.eu/?i=portal.en.events-and-activities-eu-corporate-gov>



MEMBERS' LIFE

Stefano Mallia at the Public Hearing on On-line gambling, 6 September

On 6 September 2011, Stefano Mallia, Member of the Employers' Group and rapporteur on the opinion on On-line gambling INT/579, presented the preliminary draft opinion



during the public hearing entitled "On-line gambling - After the Green Paper which way forward?" Present at the event were stakeholders and interested parties especially representing the lotteries, the gambling sector and the sport industry, but also from regulators, as well as from the consumer side.

Mr. Mallia stated: "it is a jungle out there. There is total confusion and it is very difficult to know which sites are legal and which are not". **Currently, the gambling sector was valued at €80.4 billion last year, and online gambling accounted for 10 percent, which was expected to increase in the future.**

Regulation is done on a national level, but there are efforts to **create a liberalised European market for gambling. On the negative, this could make consumers more vulnerable and allow the black market to increase.**

Among the conclusions were the Commission's proposal of EU-wide regulation, and Mr. Mallia's suggestions for a minimum level of consumer protection, and the creation of an **"EU secure gambling" mark of trust** for licensing approved operators.

"a European market for gambling, with at least a minimum level of consumer protection, and the creation of an 'EU secure gambling' mark of trust"

You will find more information about the event here: <http://www.eesc.europa.eu/?i=portal.en.events-and-activities-gambling>



MEMBERS' LIFE

Brenda King at a the World Diversity Leadership Summit, 6-8 September

Brenda King, Member of the Employers' Group of the EESC, took part in a conference entitled “**Global Return On Inclusion: Workforce, Integration and Next Practices**” on 6-8 September 2011. This year's 3-day annual event brought together global diversity policy makers, chief diversity officers, experts and practitioners, government and NGOs at the 2011 World Diversity Leadership Summit.

The event was launched with the USTA's ICON Awards honouring former NY mayor David N. Dinkins as the recipient of the Billie Jean King Legacy Award – presented by the tennis legend and equal rights pioneer himself. Ms King spoke during the first of three consecutive panel sessions: Diversity in the European Union, LGBTQ Emergence - Global and Local Impact, and Fundamentals of Employee Resource Group Return on Investment. The next related

event will be the **World Diversity Leadership Summit-EU in Paris, in March 2012.**



Madi Sharma at a “Sustainable Development Through Microfinance” Seminar, 7 September

On 7 September 2011 Madi Sharma, Member of the Employers' Group of the EESC, attended a seminar entitled “Sustainable development through Microfinance: The Case of Bangladesh” held at the European Parliament. Co-organised by the South Asia Democratic Forum and the European Institute for Asian Studies, the event discussed Bangladesh as a best practice case study on micro-financing able to lift disfavoured fractions of the population out of poverty.

Stefaan Pauwels from the Commission's DG DevCo **introduced Microfinance as a tool which focuses on the "development of life"**. Given a decent Microfinance framework, **less advantaged groups in society could borrow money at attractive interest rates, and start their own business, entering a cycle of growth.** He stated as a vital precondition the efforts to link retail providers with the clients through financial infrastructures.



Madi Sharma's contributions included the inclusion of women as important to efficient Microfinance institutions (MFIs). She listed the key tools needed to supplement Microfinance products: **self-belief - especially for young entrepreneurs, entrepreneurship training to better allocate funds, increased flexibility of Microfinance products** to facilitate access to long-term investments.

Tapan Kanti Ghosh, representative of the Embassy of Bangladesh to Belgium and the Mission to the EU, praised micro-financing and explained its main challenges: the lack of transparency in MFIs, the recurrence of national disasters in that area, and the cycles of loans created by the high interest rates. He suggested creating an effective **institutional framework to allow microfinance to reach its core objectives and avoid its asymmetric benefits.**

MEMBERS' LIFE

Henri Malosse Visited the Lithuanian Confederation of Industrialists and the Seimas, 8-9 September



On 9 September 2011, the President of the Employers' Group, Henri Malosse, visited the Lithuanian Confederation of Industrialists (LCI), and met with Gediminas Rainis, Vice-President of the LCI and Director General of its Executive Directorate, and his deputy Gintaras Morkis, who is also a Member of Group I of the EESC.

The discussion included issues relevant to LCI associations and companies, as well as to the agenda of the Committee: the **EU - India Free Trade Agreement**, the **European Union's neighbourhood policy**, and the **opportunity of involving business organisations in the process of the EU talks on the European energy community**, the **Working time Directive**, and **free trade agreements** with Armenia, Azerbaijan, Georgia, Belarus, Moldova, Ukraine, as well as Lithuania's future Presidency of the Council of the European Union.

On the previous day, Mr. Malosse had attended the **Lithuanian Seimas (Parliament) for the conference "The European Union's financial sector after the economic crisis"**, and met with the Lithuanian Prime Minister Andrius Kubilius, the Minister of Social Security and Labour Donatas Jankauskas, Minister of Foreign Affairs Asta Skaisgiryte-Liauskiene, and the Deputy-Minister of Economy Giedrius Kadziauskas.

Video Message by Henri Malosse to the Internet Governance Forum, 28 September

"...internet, the new IT systems, it is a way of freedom. A freedom of expression, of contacts..."

Group of the EESC discussed the topic: "internet as a catalyst of change and a tool for democracy", and stated that he **supports using Information and Communication Technologies as a means of empowering vulnerable groups, such as migrants, and especially young people**. ICT could provide tools for inclusion, integration, education, and allowing their voice in society to be heard.

The Sixth Annual meeting of the Internet Governance Forum will be held in Nairobi, Kenya on 27-30 September 2011. Henri Malosse is a panellist in the workshop organized by the NGO Together against Cybercrime, entitled "Internet for democratic participation of vulnerable people in public life - best practices exchange".

In his video message, the President of the Employers'



Mr. Malosse said "internet, the new IT systems, it is a way of freedom. A freedom of expression, of contacts... we saw the recent developments in the Arab countries." He also warned of the possible misuse of these new ways of communication, such as cybercrime or by non-democratic governments. He asserted the Committee's concern

with the increasing incidents of internet contacts leading to aggression in Europe.

He called for a **campaign which will provide free**

and easy access to internet to vulnerable people, but one accompanied by protection, such as the Kiko information campaign by the Council of Europe aiming at children, as well as legislation.

FOR YOUR AGENDA (SAVE THE DATE)

UPCOMING EVENTS OF GROUP I:

- Extraordinary meeting of Group I and the Group I Bureau - Sopot (Poland) __ 29-30/09/2011
- Extraordinary meeting of Group I "International trade and development aid" - London - 30 Members _____ 18-19/10/2011
- Meeting of the EESC Bureau members of Group I _____ 25/10/2011, 10:00 – 12:30
- Meeting of the Group I Bureau _____ 26/10/2011, 09:00 – 10:00
- Group I meeting _____ 26/10/2011, 10:00 – 13:00
- Young European Entrepreneurs' Seminar _____ 16-17/11/2011
- Meeting of the EESC Bureau members of Group I _____ 06/12/2011, 10:00 – 12:30
- Meeting of the Group I Bureau _____ 07/12/2011, 09:00 – 10:00
- Group I meeting _____ 07/12/2011, 10:00 – 13:00
- Extraordinary meeting of Group I: "The impact of the economic crisis and EU austerity measures on European business" _____ 12/12/2011

THE SEPTEMBER PLENARY

OPINIONS PRESENTED BY THE MEMBERS OF THE EMPLOYERS' GROUP DURING THE PLENARY SESSION OF 21-22 SEPTEMBER 2011:

- INT/585 - Protection of intellectual property rights / OHIM and NT/586 Orphan works by **Thomas McDonogh**
- INT/590 - European standardisation and SOC/416-417 Matrimonial property regimes / Property consequences of registered partnerships by **Antonello Pezzini**
- ECO/299 - Metropolitan areas and city regions in Europe 2020 by **Joost van Iersel**
- TEN/451 - Single European Sky II by **Jacek Krawczyk**
- REX/322 - Rural development and employment in the Western Balkans (EESC contribution to the next Western Balkans Civil Society Forum) by **Cveto Stantič**
- REX/341 - Promoting representative civil societies in the Euromed region by **Dimitris Dimitriadis**



Group I Members were co-rapporteurs on a number of opinions, including:

- NAT/514 - Low carbon economy - roadmap 2050, co-rapporteur **Josef Zbořil**
- REX/329 - The promotion of renewable energies and the European Neighbourhood Policy: the case of the Euro-Mediterranean region, co-rapporteur **Stéphane Buffetaut**

Otherwise, Members of Group I have presented amendments to opinions, most notably the amendments by **Christa Schweng** (on the opinion SOC/401 - Strategy for the Charter of Fundamental Rights), **Nils Juhl Andreassen** (on the opinion NAT/500 - The future of young farmers), **Ulla Sirkeinen** (on the opinion NAT/499 - Civil society contribution to Rio+20) and **Pietro Francesco De Lotto** (on the opinion INT/573 - Review of the Small Business Act).



European Economic and Social Committee
Employers' Group
Rue Belliard, 99
1040 Brussels
Belgium

Telephone: +32 (0) 2 546 87 53
Fax: +32 (0) 2 546 97 54
E-mail: gr1@eesc.europa.eu
Website: www.eesc.europa.eu/employers-group

GROUP I INTERNAL
Newsletter of the
Employers' Group of the
European Economic and Social Committee

● Editor-in-Chief
Henri MALOSSE
● Editor
Birgit FULAR
● Editorial Consultant
Milen MINCHEV