

PRESS RELEASE

EUROCHAMBRES demands intelligent investment, not wasteful subsidies

Commenting on the financial perspective of the enlarged EU 2007-2013 to be presented by the Commission today, EUROCHAMBRES' President Christoph Leitl proposed to renounce widely on direct subsidies for enterprises.

Christoph Leitl said: *"The main priority for subsidies from structural funds must be the support of the Lisbon agenda which means to increase European competitiveness against other regions of the world by innovation, research & development and reinforced use of information technologies. The competition for direct subsidies does not make any more sense in this context"*

For EUROCHAMBRES, financial EU support such as for innovation, qualification and infrastructure is the appropriate means to support the Lisbon goal. The new Objective 2 shall therefore concentrate on this. The new Objective 1 should prioritize investment in infrastructure and research and training institutions in the new Member States.

Leitl expressed some understanding for the 1% request of the net contributors to the EU budget. *"This is a legitimate starting position for negotiations"*, he said, *"even more as the European Union urges the Member States to reduce their own national budget spending."*

The proposal to cut direct enterprise subsidies is a possible instrument to reduce the conflict between net contributors and net recipients. Leitl said: *"The European economy not only requests but should also be ready to give!"*

Currently the EU budget for direct subsidies to companies amounts to €7 – 8 billion (objective 1 area, without national subsidies). Leitl believes this subsidy level could be cut by 2 thirds – which would mean a reduction in the EU budget of approximately 5 per cent.

FURTHER INFORMATION: Mr. Arnaldo Abruzzini, tel.: +32 2 -282 08 52, abruzzo@eurochambres.be

PRESS CONTACT: Ms. Tosca Purr, tel.: +32 2-282 08 53, purr@eurochambres.be

All our press releases can be downloaded from: <http://www.eurochambres.be/press/>

