

**PRESS RELEASE**

**Kok-Report:**  
**EUROCHAMBRES welcomes report, and demands**  
**Member States act to avoid “Lisbon tragedy” -**  
**Lisbon formula “5 (3/1) = 10” as simple message**

*“An alarming analysis, which must be taken seriously by the Member States and implemented quickly to avoid the Lisbon Strategy from becoming the ‘Lisbon tragedy’. We still remember the fate of Mr Kok’s last excellent report on Employment – Jobs, Jobs, Jobs. Agreement – but then little action!” We demand our political leaders to act with the formula “5 (3/1) = 10 in mind. It stands for an economic growth rate target of 3% leading to 1% additional employment per year for each of the next five years leading to 10 million new jobs by 2010.” so EUROCHAMBRES’ President Christoph Leitl’s sober comment on the Lisbon mid-term review of the former Dutch Prime Minister Kok which was published today.*

*“We agree on the report that clearly identifies the weakest link towards the goal of making the EU the most competitive economy of the world - the lack of action by Member States. We need to revive and redesign the ‘strategy’ to avoid dramatic effects for the economy and social welfare – the final responsibility for that belongs to the 25 Prime Ministers,” Mr Leitl continued.*

For EUROCHAMBRES the report addresses most of the key points such as the lack of national ownership, the inability of the open method of co-ordination to motivate the Member States and a need for better communication of the strategy to the citizens. It makes sensible recommendations and reinforces the real sense of urgency. National Lisbon action plans and real “naming, shaming and ‘faming’” of Members States are steps in the right direction.

**Some important missed opportunities**

However, Chambers also identified “missing elements” areas in the report. Mr Leitl said: *“Business expected a clear statement on how the economy and social and environmental welfare are linked. A sound economy is not a goal per se – but the basis and precondition for the well-being of EU citizens. Currently, the Strategy is imbalanced towards the social and environmental pillars. We must rebalance and make the economy the top priority for the years to come.*

*“Also, the Competitiveness Council must be reformed by limiting its membership to a smaller number of key ministers who take national ownership of the agenda.”*

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EUROCHAMBRES has member organisations in 41 countries representing a network of 2,000 regional and local Chambers

In contrast to the expert group, for EUROCHAMBRES 'Enlargement' is not a threat to Lisbon, but an opportunity. Mr Leitl said: *"The GDP growth of the new Member States is higher and cheaper labour costs makes them even more competitive. Furthermore, the new EU members are more active and ready to implement reforms quickly. We think the 'old' EU can learn a lot from the 'new' members in this respect. "*

### **Chambers' complementary proposals to add 'more teeth' to the report**

In order catch up with the lack of progress towards the Lisbon target EUROCHAMRES proposes:

- The national Action Plans of the Member States should be annual and focus on a limited number of priorities in order to add more transparency in achieving the goals.
- Member States must develop detailed implementation roadmaps for key Lisbon and Internal Market legislation not yet transposed.
- Enterprises must be encouraged to invest in knowledge through tax advantages for training and research with special attention on SMEs. Member States should raise public spending on research considerably.
- Training must become a European, national and regional priority – Member States must set up business educational taskforces to identify key skills gaps for the knowledge economy.
- Member States should adhere to, and respect, the current Stability and Growth Pact.

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