



Bruges European Business Conference March 17th and 18th 2010

In partnership with Deloitte

Venue: College of Europe, Bruges campus, Dijver 9 - 11 (centre)

EU2020 - What role for European business?

The Bruges European Business Conference is a joint initiative of the College of Europe's new specialisation on European Economic Integration and Business, Deloitte and a range of prominent companies and business associations. All stakeholders expect to benefit from a thorough exchange of ideas, best-practice examples and analysis of EU-related issues of importance to European business.

BACKGROUND AND PURPOSE

The year 2010 will confront European governments with the fallout from the financial crisis. Unemployment is expected to reach double digit figures at a moment where concerns about climate change and ageing populations come to the fore and set limits to classical economic growth. Policy-makers around the world are planning the exit from the crisis and conceiving ways to reconcile the creation of new jobs with the challenges of the next decades.

'EU2020' has been designed by the European Commission as a successor to the Lisbon Strategy and aims at shaping a "new sustainable social market economy, a smarter, greener economy, where our prosperity will come from innovation [...] and where the key input will be knowledge". It expresses the need to find "new sources of growth to replace the jobs lost in the crisis".

The First Bruges European Business Conference will discuss the role European business can play in the pursuit of EU2020 goals. On the EU / business interface, European business should also actively engage in stimulating the EU bodies, above all the Commission, to assume bold, innovative initiatives as well as demonstrate best-practice examples.



DRAFT PROGRAMME

Wednesday, March 17th

- 19.00-19.30: Arrival and registration
- 19.30-19.35: Welcoming and Introduction by **Jacques Pelkmans**, *Director European Economic Studies, College of Europe*, (Dijver, Room E)
- 19.35-20.30: Keynote speaker (plus Q&A): **John Connolly**, *Chairman Deloitte Touche Tohmatsu*, (Dijver, Room E)
- 20.30-22.30: Walking Dinner (Dijver 11, Room A + B or Dijver, Foyer)

Thursday, March 18th

- 08.15-08.45: Arrival and registration
- 08.45-12.00: Three workshops on horizontal topics (break halfway with coffee in the Foyer)
- 12.00-13.00: Lunch break (Dijver 11, Room A + B)
- 13.00-16.15: Three workshops on sectoral topics (break halfway with coffee in the Foyer)
- 16.15-16.30: Coffee break
- 16.30-17.00: Plenary session with **Keynote Speaker** (Room E)
- 17.00: Closing of the conference

DRAFT PROGRAMME, Thursday March 18th

❖ Three Horizontal Workshops

Dijver 11, Room E, F and G, from 08.45 – 12.00 hrs, with one coffee break

1) Business Views on EU2020

Chair: Jacques Pelkmans, Jan Tinbergen Chair for European Economics, Director, European Economic Studies, College of Europe

Speaker:

- **Marc Stocker**, Chief economist BusinessEurope

Discussants:

- **Outi Slotboom**, Head of Unit Lisbon Coordination, DG Enterprise and Industry
- **Constanze Picking**, Director, Daimler EU Corporate Representation Brussels

Description of the workshop

It is probably fair to say that European business is disillusioned with the results and the process of Lisbon-2010, even when participation rates of workers did steadily increase and some other minor results were observed as well. However, when it comes to growth, productivity and jobs, European business has clearly become impatient. This workshop is meant to hear the voices from business and discuss realistic options for the EU at large. Should the Union go through another decade of very soft promises which assume very little cloud in the domestic politics of the Member States? Is the EU capable of pursuing only a few core goals, but indeed vigorously so? Is business in favour of exploiting 'hard competences' (e.g. the single market) rather than intergovernmental strategies which have no accountability (indeed, to whom and with what consequence?) nor 'ownership' at the national level. How realistic is it to claim sustained investments in (public) R & D, higher education and innovation when fiscal consolidation (the 'exit strategy from the crisis') must be imposed for another 3 - 5 years? How realistic is it to pursue radical innovation and business R & D (which has remained too low in the EU) when the recovery is going to be characterized by modest growth and profits are unlikely to be large for years to come? How genuine is the quest for 'radical reforms' - indeed, in which EU countries are these most necessary and are their voters ready for it? Will European business be confident that EU voters appreciate the slogan "creating a competitive, connected and greener economy"? What (say) four or five core aims in the EU strategy are a 'must' for European business?

2) Innovation in European business

Chair: **Aimé Heene**, University of Gent, Faculty of Economics and Business Administration

Speakers:

- **Diogo Vasconcelos**, CISCO, Distinguished Fellow
- **Wim van Haverbeke**, Hasselt University; Vlerick School of Management, ESADE Business School

Discussants:

- **Luc Soete**, Director MERIT, Maastricht and UNU-INTECH
- **Keith Sequiera**, DG Enterprise and Industry

Description of the workshop

There is widespread agreement in business and at EU level that Europe's priority is to enhance innovation. Though the urgency has meanwhile become greater, the call for more, better and faster innovation is nothing new. EU and national innovation policies have been pursued for quite a while but the dissatisfaction with them remains. The EU is far better in knowledge and inventing than in turning these findings into marketable products and services. A recent Business panel chaired by Diogo Vasconcelos (Cisco Systems International) and commissioned by DG Enterprise, European Commission, has written a new report attempting to move Europe from a knowledge society to an innovation society: "Re-invent Europe through innovation" (November, 2009). The report has received much praise from a variety of well-known authors and activists in the field. Mr. Vasconcelos serves as lead speaker in this workshop. Should the EU boldly invest in new infrastructures and, if so, who pays how and how much? How can the business incentive to innovate for return on investment be brought together with EU's society's need for innovation for social return? What does it mean if we want the EU to set clear innovation targets? How can the European Investment Bank, or its European Investment Fund, be turned into a pan-European Innovation Bank? Should SMEs not invest and innovate more in Europe? Why is the service sector in Europe on the whole a poor innovator and how can this be changed? How can responsible risk-taking, so critical for innovation in markets, be encouraged in European business?

3) Lowering red tape for EU business

Chair: Richard Doherty, Deloitte, Lead Client Service Partner European Institutions,

Speakers:

- **Erik Berggren**, Senior Adviser, BusinessEurope
- **Hilde Van de Velde**, Director, Deloitte

Discussants:

- **John Watson**, Head of Unit, European commission, Secretariat General, Better Regulation and Impact Assessment,
- **Henrik Brinkmann**, Expert, Bertelsmann Stiftung

Description of the workshop

The previous Commission has put considerable emphasis on Better EU Regulation in general (especially via Regulatory Impact Assessments, more than 100 a year, and based on improved Guidelines) and red-tape reduction in EU laws in particular. In a unique and comprehensive exercise, the costing of all red-tape in EU regulation has been estimated and a series of proposals is now pursued or expected to attack the unnecessary red-tape or the too high costs of it. Since in most cases, it is European business that directly "feels" these red-tape irritations and costs, the benefits from the red-tape initiative should be both 'visible' for business (something not easily accomplished otherwise with EU regulation) and cost-reducing in very practical ways. This is welcome, not least for SMEs where the relative burden is known to be much higher than for big firms.

The workshop will take stock first: what concrete benefits have already been reaped and what is in the pipeline? Subsequently, the question arises what more the new Commission can do in what areas of legislation? How does business experience the measures taken so far and what are the challenges for proper implementation? For instance, if the EU or Member states decide on simplification measures, what are good practices in terms of making sure that companies know about the new rules, understand them and implement them in the most efficient way? What can the Commission or Member states do in order to realize the highest cost reduction possible?

Finally, now that more and more Member States begin to pursue similar approaches, is it correct that the "cumul" of EU and national or even regional rules (and red-tape) is indeed reducing? How effective are national approaches? Can business have an influence via consultation and working groups?



❖ Sectoral Workshops

Dijver 11, Room E, F and G, from 13.00 – 16.15 hrs, with one coffee break

1) Logistics and the Internal Market

Chair: Jacques Pelkmans, Jan Tinbergen Chair for European Economics, Director, European Economic Studies, College of Europe

Speaker:

- **Carsten Hess**, *Deutsche Post DHL*, Head of Corporate Representation Brussels

Discussants:

- *NN*, CEB (Confederation of Belgian freight forwarders)
- **Pawel Stelmaszczyk**, *EU Commission*, Head of Unit, DG TREN (tbc)

Description of the workshop

The competitiveness of European industry is dependent on efficient transport and logistics services. Today European logistics service providers are global market leaders, which help European companies to stay competitive in global markets. About € 1 trillion annual direct revenue is generated by the European logistics industry. The lack of a truly harmonized Internal Market for all modes of transport and services is, however, hampering a seamless and more environmentally-friendly cross-border transport flow, which at the end cost time, money and energy. There are market barriers for road transport, cross-border rail freight and a slow implementation of a European Single Sky. This all hampers cheap and efficient movement of goods. On top it creates unnecessary environmental problems. In order to bring Europe's economy back on track as EU 2020 suggests, the low hanging fruit would be to focus on completion of the Internal Market. In order to achieve this goal we need a new and integrated approach, when it comes to policy-making in the EU. Otherwise, we risk to continue with decision-making which represents the 20th Century while the European economy is operating in the 21st Century.

2) Energy and EU 2020

Chair: **Christian Egenhofer**, Senior Research Fellow at *CEPS*, Brussels

Speaker:

- **Jan Bakkes**, *Stockholm Resilience Centre*, project leader of a major study "Getting into the right lane"
- **Nicola Rega**, Advisor & Project manager on Eurelectric's 2050 Power Choices Study

Discussants:

- *NN*, European Commission (tbc)
- *NN*, Siemens (tbc)

Description of the workshop

EU decarbonisation in line with short and longterm climate change targets will critically depend on a low or near zero carbon power sector by 2050. This session will discuss possible pathways and their implications both for business and policy. Particular focus will be on exploring different technology pathways, identifying the key choices and trade-offs for business and policy with focus on the interaction between policy and business which is seen by many as one of the key determinants for a successful move to an EU low-carbon society.

3) Health and Ageing in Europe

Speaker:

- **Louis-Charles Viossat**, Global Government Affairs and Policy Director for Abbott in Europe

Discussants:

- **Brendan Barnes**, Director "Multilateral Affairs & Health Policies" at EFPIA
- **Alain Sommer**, Chairman of BIAC's Health Group



Description of the workshop

The key role of health has been broadly recognized and is an integral element in most major EU strategic initiatives – such as its strategies for growth and jobs and sustainable development. The EU strategy for growth and jobs recognizes that a healthy labour force – in particular in Europe's ageing societies – is crucial for long-term growth and better sustainable jobs. The Sustainable Development Strategy stresses the importance of health for sustainable development in Europe. Health promotion, the reduction of health inequalities and protection against health threats are its main objectives.

The disability burden expressed in healthcare expenditure (in kind and in cash) and pensions is a major proportion of national expenditure. Increasing age and life years spent in poor health mean greater medical needs. The sick elderly are a greater financial commitment than their healthy counterparts. If the retirement age is to be raised, people must be physically able to work and enjoy health life years.

The Workshop will discuss to which extent the EU 2020 Strategy adequately reflects the challenges ahead: the impact of the rising cost of healthcare, the demographic challenges, and the economic and healthcare benefits of new technologies and innovation (in systems, products and services). The Workshop will also address business consequence, including the implications of adjusting to underlying trends leading to changes in the labour market rules and social security coverage (such as organisation of work and unemployment, pensions, etc.).

Closing session, 16.30 hrs

Keynote speaker (tbc)