

BRUSSELS MATTERS

The importance of your association's presence in the capital of Europe

OVER HALF A CENTURY THE EUROPEAN UNION HAS BROUGHT POLITICAL STABILITY AND ECONOMIC PROSPERITY TO ITS CITIZENS, HAS CREATED A FRONTIER-FREE SINGLE MARKET, A SINGLE CURRENCY AND OVERALL IT HAS REUNITED A FRACTURED CONTINENT. THE EUROPEAN UNION HAS BECOME A MAJOR ECONOMIC AND COMMERCIAL POWER AND ITS MEMBERSHIP HAS GROWN FROM 6 TO 27 COUNTRIES, BRINGING THE EU'S POPULATION TO NEARLY HALF A BILLION.

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European citizens have adapted to the above changes that made life much easier for all of us, and still, they don't really seem to understand where the source of change lies. Statistics on the turnout for the recent elections (less than 50% participation) for the European Parliament prove that EU citizens don't feel affiliated to Brussels or understand the impact European Union has on their daily life.

POLITICAL, ECONOMICAL AND PRACTICAL ASPECTS

Do businesses see this different? Did they only come to Brussels for the beer and the waffles or is there more to it? Looking at the number of business associations represented in Brussels, it is obvious they do so, as today, over 70% of EU business associations are located in Brussels or have



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a representation here. And of course they are directly affected by the European political and economic process.

From a political point of view, over 80% of legislation that has to be implemented at a national level in Europe has been decided and agreed upon in Brussels. The key European Institutions are based in Brussels, which explains the high number of representations of companies and associations in the heart of Europe.

The clear advantage for a European association in its lobbying efforts is that it can truly claim to speak with a unified voice from the industry. Policy makers tend to prefer hearing an industry position rather than having to listen to the view of different companies, which defend their individual company interests. Especially since policy makers often need to take decisions on topics on which they lack both expertise and detailed background information. That is where associations come in and act as

credible advisors and information provider to the legislators. In order to get that credibility from the institutions, EU business associations develop industry statistics or conduct benchmarking studies for the industry or subgroups of the industry. In talking to legislators, the association uses this information to effectively show for who they speak, what they represent e.g. in terms of figures or jobs. Not only do these benchmarking studies increase credibility in lobbying efforts, this industry information source will make sure that the association can foresee industry trends and work towards them.

This brings us to the more economical impact the European Union has on business in Europe. For their members, associations act as the key source of information on European developments that can impact their industry. Through their established relations with legislators, EU business associations are considered the representative of a specific industry and can defend its - and thus their members' interests from a 'pole position'.

Apart from talking to EU legislators, an EU business association establishes and maintains an effective dialog with national trade associations for pan-European issues that affect the industry and thus will also affect companies' day to day business. The EU's agenda has historically been driven by a search for economic wealth and global competitiveness. The objective to create a single European market was to stimulate competition and the capability of European business to compete in the global economy.

In order to complete this idea, it implied that business-related issues have been at the forefront of European integration and its everyday policy making, such as the removal of obstacles to the free movement of goods, services and capital and to the freedom of establishment. Simple

overall regulations are in place to protect customers and businesses. They generally take the form of one set of rules applied, or coordinated, at EU level rather than 27 different, and possible conflicting, national regulations, which is a big advantage for companies operating in various countries of the EU.

COMPANIES JOIN FORCES TO STRENGTHEN THEIR INDUSTRY AND THE EUROPEAN UNION AS A WHOLE

An EU business association represents and promotes the industry in order to facilitate its growth. This contributes to the European Union's overall growth, creates jobs and stimulates innovation. Being a member

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of a trade association gives the opportunity for companies to jointly discuss industry challenges such as skills shortage in the industry and standard developments. EU business associations from their side create opportunities for the industry by acting as platform for education, networking and information exchange between companies at executive and technical levels of the organization as well as with the industry stakeholders.

Having a European association also serves the purpose of engaging with other regions

in the world on an association level. Many of Kellen Europe's managed European associations engage in so called tri-partite meetings with the respective counterpart associations in the US and Asia.

These contacts allow exchanging information on a global level among the associations which serves a dual purpose: (1) to anticipate any form of policy migration and (2) to cooperate in lobby activities towards the global institutions such as UN and WTO. For global companies the clear added value to be part of a European association is to follow legislation in Europe, since more and more policy migration can be found between the different regions in the world.

To conclude, the European Union does matter for associations and its members for various factors; the strongest ones being political and economical factors. Ultimately, being a member of an EU association stimulates the efforts to promote the growth of the industry and therefore contributes to the economic and social wealth of the European Union and its Members States.

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