

Choosing Europe for Your Business

Since the implementation of the single market in 1993, the European Union stands out among the regional trading blocs as the most liberalized and advanced. The benefits enjoyed by both consumers and producers within this region are about to take on a new face.

The introduction of the Euro on January 1, 1999 launched the member states of the European Monetary Union and foreign investors into a new realm of economic advantages. Shared by the eleven countries, which met the convergence criteria outlined in the Treaty of Maastricht on May 2, 1998, the Euro is the answer to economic and political cohesion sought by EU states since the end of the Second World War.



Firms, which invest in the EU, will gain a privileged access to the large domestic base of Western Europe and at the same time increase their world presence. Furthermore, foreign countries which are established in the EU are in an excellent position to investigate the opportunities offered by the emerging markets of the Eastern European nations and set up operations in these countries which will become members of the EU in the foreseeable future.

The question is thus no longer whether companies should invest in Europe, but rather when, and that time is right now. Small and medium sized companies should look at their corporate strategy from an international perspective. Excellent opportunities exist even for firms who previously operated on a domestic basis. In the future the euro may account for a greater proportion of international trade than the dollar and the yen combined. Foreign companies must invest in Europe now in order to be prepared for the development of Euroland's future zone of influence.

In order to gain access to, or operate in, the European Union, foreign companies must understand the implications of a more integrated European Union, the investment opportunities and incentives available, and how their specific needs match up with what individual EU countries have to offer in terms of setting up operating facilities abroad.

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