



## ***“The voice of SMEs in Europe”***

### **Press Release**

IMMEDIATE ISSUE

#### **Restructuring processes must take account of small firms**

- **Restructuring policy should have local and regional focus, rather than EU level**

**Brussels, 23 June 2005** UEAPME, the European small and medium business organisation, has called for small businesses to be taken into greater account in cases of restructuring and industrial change at the launch of the Restructuring Forum in Brussels today (Thursday).

“Restructuring plans in the Member States typically fail to pay attention to the large number of small firms and their employees that are affected by industrial change. More needs to be done to ensure this vital section of the economy is not ignored,” said **Liliane Volozinskis, UEAPME Director of Social Affairs** at the conference.

UEAPME reiterated its concern about the tendency of public authorities to focus exclusively on the large firms affected in periods of industrial change, while smaller sub-contractors, suppliers and service providers in the local economy, which are also affected by any restructuring, are generally forgotten. Smaller firms are often harder hit by the knock-on effects of restructuring, with serious implications for their survival and jobs in the affected region.

“Restructuring is clearly an area that is best addressed by local and regional policy. Any action at EU level should be confined to ensuring financial support for managing the social consequences of restructuring and economic development in the affected regions, as well as ensuring the refocused Lisbon Strategy is implemented without delay,” Ms Volozinskis stated.

The role that EU policy has to play in the field of restructuring is limited, although it can be important. National and local authorities are better placed to anticipate and respond to industrial change. UEAPME is calling on the EU to make Structural Funds available to SMEs for activities such as training, retraining and redeployment for the workforce in affected regions. In addition, the new state aid rules must facilitate aid for small firms affected by restructuring.

One other crucial factor in limiting the negative effects of restructuring is to ensure the refocused Lisbon Strategy is implemented without delay. Generating growth and creating employment is the best possible method of responding to industrial change and restructuring.

UEAPME also expressed regret that the purpose and functions of the Restructuring Forum had not been more clearly defined. There is a need to set out the ambit of the forum and highlight what it aims to achieve.

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Further information: Liliane VOLOZINSKIS, UEAPME Director of Social Affairs and Employment Policy

**EDITORS' NOTE:** UEAPME is the employer's organisation representing the interests of crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 78 member organisations, which represent crafts and SMEs across the whole of Europe, covering over 11 million enterprises with nearly 50 million employees. UEAPME is a European Social Partner.

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