



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE

SME policy review shows it is time to move up a gear

Brussels, 8 October 2007. Two years after its official launch, much remains to be done to ensure that European small entrepreneurs feel the benefits of the European Commission’s “Modern SME Policy”, according to UEAPME, the European craft and SME employers’ organisation. Commenting on the “Mid-term SME policy review” announced by the EC today (Monday), UEAPME stressed that it is now time to increase efforts in order to free SMEs from unnecessary administrative burdens and further simplify regulatory requirements. UEAPME singled out improving the quality and the quantity of valid impact assessments, mainstreaming SMEs into all aspects of Member States’ and EU policies and increasing coordination among EC services as the key priorities.

“Today’s review confirms that SME policy has a long way ahead to reach its ultimate goals, despite the considerable improvements it has brought about”, said **Luc Hendrickx**, UEAPME Director for Enterprise Policy and External Relations. *“In the last two years, European crafts and SMEs have reconfirmed their role of driving force of the EU economy, by providing the vast majority of the 3.5 million new jobs that were created regardless of the often difficult regulatory conditions in which they have to operate. The SME policy review is an excellent opportunity to reward SMEs’ contribution to the Lisbon goals by moving up a gear and making European small businesses feel the benefits of this new approach in their daily life”,* he continued.

Cutting red tape is one of the pillars of the Modern SME Policy. UEAPME welcomed the actions undertaken in this field in the last two years, but insisted on the need to improve the methods used to assess the impact of new pieces of community legislation on all stakeholders, including crafts and SMEs. First of all, impact assessment studies should be carried out systematically and in a timely manner, i.e. as at an early stage as possible. Secondly, their quality must be improved. Thirdly, representative business organisations should be properly consulted. *“There is considerable room for improvement on this aspect, since all too often the Commission itself does not respect the minimum standards on consultation it fixed”,* commented Mr Hendrickx.

UEAPME then commented on the other policy aspects of the Commission’s state of play. The “think small first” principle, for instance, should be properly applied. Instead of carving out an endless series of exceptions for micro- and small enterprises, said Mr Hendrickx, legislation should be conceived for smaller realities since the very beginning. UEAPME was also pleased by the EC’s announcement that it will increasingly take into account the diversity and heterogeneity of the SME community, including specific sub-groups such as craft enterprises or small enterprises. Moreover, Mr Hendrickx expressed satisfaction at the EC’s intentions to actively promote entrepreneurship, develop entrepreneurial skills through education and improve the image of entrepreneurs, which is currently quite poor across the EU. Finally, he greeted the Commission’s aim to tackle the stigma of business failure, which hampers innovation and prevents honest restarters from being given a second chance.

A last point was made by UEAPME on the need for better coordination between the different Directorates-General of the Commission to avoid duplications and/or clashes between different initiatives. UEAPME insisted on the need to adopt a “holistic” approach in which all policy aspects and consequences of new rules for SMEs are properly taken into consideration, irrespective of the DG responsible for the legislative procedure. In this respect, Mr Hendrickx welcomed as a positive development the announcement of a forthcoming “Small Business Act” for Europe, which must lead to mainstreaming SMEs in all relevant EC policies, he insisted.

“Today’s communication is a good overview of the EC’s achievements in the last two years in all the key areas identified by the Modern SME Policy. We now look forward to reading the upcoming policy proposals, which must yield concrete results before the end of the Commission’s term. We hope that they will bring SME policy to a higher level and ensure that the EC speaks with one voice every time SMEs are concerned”, he concluded.

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EDITORS’ NOTES: UEAPME is the employers’ organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 84 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner.

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