



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE

Lisbon guidelines: SMEs call for a more focused implementation

- **UEAPME singles out concerns at EP hearing: undeclared work, risk finance, external trade policies**

Brussels, 22 January 2008. The EU “Integrated Guidelines for Growth and Jobs” have clearly demonstrated their added value in terms of improving the EU economic performances and creating a better employment situation. While continuity must be ensured, their implementation must be improved on a number of priority aspects of particular relevance for European small businesses, according to UEAPME, the European craft and SME employers’ organisation. Speaking at a hearing of the European Parliament’s Economic Affairs and Employment Committees today (Tuesday), Director for Economic and Fiscal Policy **Gerhard Huemer** singled out undeclared work in the services sector, the lack of risk finance and unfair competition at global level as threats hampering European SMEs’ potential to fully deliver on the EU ambitious “Lisbon goals”.

“The current structure of the integrated Lisbon guidelines must remain unchanged to guarantee continuity”, said Mr Huemer. *“However, their implementation is lagging behind and must be strengthened, particularly on some policy aspects that are becoming increasingly relevant for crafts and SMEs in Europe”*, he continued.

Mr Huemer then went on to elaborate on these priority issues. First of all, the share of the services sector in the European economy is constantly increasing. Undeclared work in this sector is particularly unfair and harmful for small businesses, especially in labour-intensive sectors such as personal and household services. Taxation policies and social security systems must be tweaked to “make work pay” and reduce the attractiveness of the recourse to the shadow economy. Europe’s track record on the issue is quite mixed, said Mr Huemer, who called on Member States to increase their efforts and introduce reforms to reduce incentives for undeclared work.

Secondly, the current crisis in the financial sector coupled with recent developments in the financial services market make it increasingly difficult for small businesses to obtain support for riskier projects such as business transfers, start-ups, innovation and internationalisation activities. The existing instruments at national and European level (for instance the EU Competitiveness and Innovation Programme – CIP) must therefore be reviewed and better targeted to secure a competitive risk finance offer for smaller clients.

Thirdly, European crafts and SMEs operating mostly in the internal market are more and more concerned with unfair competition from third countries. Europe must develop a trade policy capable of successfully tackling practices such as IPR infringements, counterfeiting, social dumping and eco-dumping, stressed Mr Huemer, or it risks losing citizens’ and small businesses’ support for globalisation and weakening its trade position worldwide.

“We call on Member States to use the next Lisbon programming cycle to bring their national reform programmes in line with our concerns. Small businesses will not be able to fully express their ‘growth and jobs’ capacity unless these issues are properly tackled”, concluded Mr Huemer.

***** END *****

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 12 million enterprises with 50 million employees. UEAPME is a European Social Partner.

Further information: Gerhard Huemer, Economic and Fiscal Policy Director, Tel. +32 2 230 7599

Francesco Longu, Press and Communications Officer

Email: pressoffice@ueapme.com - Web: www.ueapme.com/pressroom/