Programme for the craft industry and small enterprises (SME)

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The ESC supports the Commission approach. It trusts that the Council, too, will undertake to support the activities set out in the programme. The Commission points out that it is planning to draw up a recommendation to the Member States calling upon them to pay more attention to SMEs in proposals for joint financing under the European Regional Development Fund (ERDF). The ESC fully supports this approach. The Commission announces that it intends to submit a communication on direct taxation. The ESC trusts that this communication will produce real, concrete proposals for assisting SMEs to engage in trans-national activities and reducing the attending costs. The Commission's views on the preparation of SMEs for the introduction of the euro tie in closely with the ESC's views on this matter, as set out in its Opinion on the third multi-annual programme for SMEs. The Commission states that it will encourage all Member States to set up national contact points to provide a link between the national-level authorities charged with enforcing the rules governing the internal market and between the Member States and the Commission. The ESC emphatically wishes to be involved in these activities, by virtue of its responsibility for the Single Market Observatory (SMO). The ESC supports the thesis that all forms of state aid - not merely aid provided by central governments but increasingly also aid made available by regional authorities - need to be examined more intensively and more critically. This latter form of aid, too, needs to comply with the relevant EU rules. The Commission considers that there is still too little transnational investment by SMEs. The ESC endorses the view that this shortcoming can mainly be ascribed to the lack of a suitable financial instrument. The ESC would, however, draw attention to the fact that it is absolutely vital to involve the banking sector, and also venture capital funds in the preparation of such a financial instrument.