

# **Multiannual programme for enterprise and entrepreneurship, and in particular for small and medium-sized enterprises (SMEs) (2001-2005)**

2003/0292(COD) - 22/04/2004 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted the report by Paul RÜBIG (PES, D) broadly approving the Commission's proposal to phase out the JEV programme as soon as possible and return the unspent funds to the EU budget. It tabled just a few amendments under the 1st reading of the codecision procedure. Parliament outlines that JEV has fallen short of its objectives. It is expensive, slow and complicated to administer, demand for it has been low and any substantial simplification aimed at improving both its attractiveness and its effectiveness would entail losing the entire unused committed budget of approximately EUR 42 million. Moreover, the existing committed budget cannot be used for projects involving the candidate countries. MEPs therefore support the Commission's plan to phase out the programme as soon as possible on the grounds of poor cost-effectiveness and lack of demand. The Parliament also states that the purpose of these programmes must be to efficiently address market failures in the access by SMEs to risk capital through enhancing participation of both private and public actors aiming at reaching distribution rates of 100%. The Parliament welcomes the fact that the Commission has committed itself to reform the existing multiannual programme in due time taking into account the necessity of promoting cooperation between enterprises and business organisations and of supporting dialogue between horizontal and sectoral or professional organisations of small and micro-enterprises and craft enterprises. Lastly, the Commission shall present an annual report on the implementation of the financial instruments of the programme for 2004 as well as a similar end report for 2005 (the final year) and shall submit these two reports to the European Parliament and the Council.