Entrepreneurship, innovation policy and the small and medium enterprises SMEs. Green Paper and Charter

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The European Parliament adopted a resolution based on the own-initiative report drafted by Werner LANGE (EPP-ED, Germany) on entrepreneurship in Europe. Parliament welcomed the Commission's Green Paper as an effective starting point for a wide-ranging debate on the policy of the EU and the Member States on fostering entrepreneurship, but criticised the fact that the Green Paper does not pay sufficient attention to the recommendations of the European Charter for Small Enterprises. It also deplored the fact that the Green Paper deals almost exclusively with start-ups and high growth enterprises, to the detriment of enterprises in traditional sectors of activity and cottage industries and family enterprises. Very small businesses and the craft trades, which account for more than 90% of European enterprises, are a source of both jobs and innovation and therefore make an active contribution to meeting the Lisbon objectives. Entrepreneurs of this kind deserve special attention from the Commission, given their importance to the stability of the socio-economic fabric and employment and the considerable risks they are obliged to take to set up and remain in business. Parliament commended the Commission for the length and thoroughness of its public consultation and hoped it would maintain this open and consultative approach during the drafting of the action plan, in order to benefit from the valuable input of the SME community and other stakeholders. Parliament called on the Council and the Member States to take whatever initiatives are necessary finally to put an end to old-fashioned attitudes which insist on attributing guilt to entrepreneurial activity and demonising business profit. The action plan should prescribe concrete actions to be completed within a binding time-frame, clearly identify the policy levels at which responsibility for them is to lie and describe measures to monitor its implementation. Parliament felt that the Member States must make a much greater effort in their areas of responsibility (education policy, rules and regulations, cost and time involved in establishing new businesses, provision of risk capital and start-up finance, innovation and technology transfer and tax relief, in particular making provision for risks through the establishment of reserves) in order to give greater encouragement to entrepreneurship. Furthermore, reduction of the administrative burden on small businesses, better rules and regulations and easier access to funding and information, particularly as regards access to third country markets, and greater dissemination of such information, are of considerable significance in creating a more favourable overall climate. Parliament also felt that there was considerable potential in the EU's internal market programme for promoting the establishment of new businesses. In the European internal market for those starting up new businesses in the services sector, it is possible to remove a whole range of obstacles that still exist, thereby facilitating cross-border company start-ups. Finally, Parliament asked the Commission and public authorities at all levels to implement measures to open up public contracts to SMEs. Such contracts account for 16% of the EU's GDP, yet frequently remain inaccessible to smaller businesses, due to cultural, administrative and financial barriers.