

Enterprise policy: multiannual programme MAP 2001-2005

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The European Commission has presented a report on the Multiannual Programme for Enterprise and Entrepreneurship, and in particular for Small and Medium-sized Enterprises (SMEs) (2001-2005), MAP for short, is a framework programme composed of a set of activities which are designed to improving the overall business environment in Europe. The Programme activities are grouped within three pillars: Policy Development; European Info Centre (EIC) Network and Financial Instruments. The aim of this external evaluation of the Programme is to provide information and recommendations in order to improve the current MAP and to contribute to the development of a potential successor programme. It has been prepared as a final evaluation, although, as the programme is still running, it has often not been possible to identify or examine final results and impacts.

The report states that the Multiannual Programme (MAP) addresses a wide range of issues hampering business creation and development in Europe. While it contains activities in many policy areas, it was found that innovation and business co-operation/internal market are inadequately supported by the current programme. On the other hand, the programme shows an advanced level of implementation and clear direct outcomes (as of 31/03/2004 171 policy development outcomes could be identified, the MAP had provided support to 276 EICs and other centres, 41 deals had been made with financial intermediaries). Therefore it is expected to achieve its global objectives. Effectiveness is generally high, and the overall relation of costs and benefits (efficiency) seems adequate. However, certain policy development measures (databases, portals) are less efficient than other activities (Best projects, benchmarking studies), while some specific financial instruments (Joint European Venture, SME Guarantee-ICT loan window) have proved inefficient in their actual form and in the current business context.

The programme and its elements have so far been useful to directly involved actors (national policy makers, EICs, financial intermediaries) who have benefited from new and complementary resources (information, knowledge, methods, dissemination material, events, products, additional funding). Through these intermediaries, general support for enterprises has been enhanced and/or increased in many European countries, and thus the overall business environment has been improved. The exact impact of the overall MAP on businesses proved impossible to measure, but in addition to some direct effects on SMEs. More than 170,000 SMEs have got access to loans through MAP financial instruments.

The report recommends that for the current programme, strategic links between the European Charter and MAP should be strengthened, e.g. using the Charter Implementation Reports as a means of feeding back information on the effects of MAP policy development actions into the MAP Implementation Reports. Dissemination of MAP as an overall programme, emphasising its activities and results, should be widened in order to enhance visibility, and thereby raise awareness and understanding of the MAP, strengthening its take-up. Further recommendations are included under the specific MAP element headings.

The diversity of measures and areas to be covered in any successor programme should be maintained, while building on a common strategic framework (with an enhanced and better integrated system of goals, objectives, and expected results). Links to other initiatives such as the Structural Funds and the R&D Framework Programme should be strengthened. Innovation and the support of business co-operation in the internal market should be integrated/strengthened as activity fields. Linkages between different programme elements (e.g. active information and advice on financial instruments through EICs) should be enhanced.

1) Policy Development : the principal recommendation for policy actions under the current MAP 2001-2005 is to strengthen dissemination activities directly (at European level, e.g. publications in all official languages, linking publications to events) and indirectly (fostering dissemination at national level, towards regional authorities and entities, and to businesses). Sufficient time should be allowed for projects to come to fruition and for the thorough elaboration of recommendations. Where appropriate different points of views (academic, policy-maker, business/private sector) should be reflected in the composition of expert and working groups.

A follow-up programme should concentrate on benchmarking and exchange-of-best-practice projects (in line with related studies, events, publications) and less emphasis should be given to single support activities such as databases, tools, or one-off publications. New actions such as capacity building, training, follow-up and long-term projects should be developed to complete the policy pillar. A recommendation is made on improving joint decision-making procedure in the programme management committee and adapting implementation and performance assessment procedures/tools (indicators) to enhance the monitoring and evaluation of the overall programme and its specific activities (this last recommendation could be applied to all the pillars).

2) European Information Centre Network (EIC): within the current programme a recommendation is made to improve the promotion of the EIC network and its potential, both to enterprises and in the European Commission, through awareness-raising measures. The role of EICs as a feedback mechanism to Commission Services and as a tool to reach Europe's 24 million or so SMEs (as in the campaigns covering the EURO and enlargement) should be significantly strengthened. Amendments regarding the EIC audit procedures, EIC support to weaker EICs through training and staff exchanges, the publication of EIC promotional material in all official languages and the support of networking between EICs at national level are also recommended.

In a future multiannual programme, EIC basic services, contractual procedures and financing, should be adapted to the current circumstances. Additional tools for promoting business co-operation should be offered; the network's stability enhanced through longer contracts (if this is compatible with Community Financial rules); the level of financial support should reflect real EIC activities and differences between more basic and advanced EICs. In the future, the support and coordination structure should also be made less complicated and more efficient. Finally, enhanced coordination and rationalisation with other Community Support Networks should also improve the EIC's efficiency and make them more visible and more accessible for final clients.

3) Financial Instruments : the recommendations concerning the present MAP involve major promotion of the "MAP brand" (alongside that of the EIF) with financial intermediaries, national financial and business organisations in order to enhance the visibility of Community Financial Instruments. Better and wider disseminated information as well as support for networking/exchange of experience between financial intermediaries should be provided for. A recommendation is made on increasing the budget in proportion to the EU enlargement (SMEG in particular) – this step was partially realised in 2004. For a future programme a recommendation is made for the ETF-SU Business Incubators window to be closed: it has not been effective and is not expected to be in the short/mid-term. The SMEG ICT-Loan window should also be closed: it has not been effective (largely due to the bursting of the internet bubble) and is in fact covered by the general SME Guarantee Loan window. SCA should be opened to funds without regard to prior EIF investment. Finally, ETF-SU eligibility criteria should be more flexible – consideration should be given to accepting as partners in funds universities and other public bodies as "private", provided they can demonstrate that they are market-driven and have their own legal personality, board, budget and financial resources (i.e. not limited to public funding).