

Enterprise policy, SMEs: prolongation of the multiannual programme MAP until 31 December 2006

2004/0272(COD) - 07/12/2004 - Legislative proposal

PURPOSE : to prolong the Multiannual programme for enterprise and entrepreneurship and to increase the financial reference amount and to amend Council Decision 2000/819/EC.

CONTENT : the multiannual programme (MAP) for enterprise and entrepreneurship, and in particular for small and medium-sized enterprises (SMEs) was adopted on 20 December 2000 to run from 1 January 2001 to 31 December 2005, with a budget of EUR 450 million.

The implementation of the MAP has been subject to regular evaluations. A public consultation on possible elements of a future support programme for entrepreneurship and enterprise competitiveness, to succeed the MAP, was carried out by the Commission in 2004. This consultation indicated strong support for a wider basis for policy analyses, development and co-ordination as well as for specific measures to help enterprises to be competitive and innovative.

The proposed successor programme would have begun in 2006, under the current financial perspective, and ended in 2010, the target date for achieving the ambitious objectives set by the Lisbon agenda. The challenge for the new programme would therefore be to contribute to competitiveness in a more comprehensive way than achieved by the MAP. Subsequent to the evaluation and the public consultation, the Commission decided that a framework programme would have the greatest potential to boost innovation and competitiveness. The Commission proposed, in a Communication of 14 July 2004, to prepare such a framework programme in the context of the new financial perspective (2007-13).

It is not possible to present such a Commission proposal for a framework programme on innovation and competitiveness in 2004 in order to ensure its operation as of 1 January 2006. The framework programme for innovation and competitiveness should also dovetail with the 7th Framework Programme for Research. Consequently, both new framework programmes should start consecutively on 1 January 2007.

Nevertheless, it is essential to ensure continuity of Community support for the improvement of the business environment and for the growth and competitiveness of enterprises, in particular SMEs. It is therefore important to avoid any disruption of the instruments operated under the MAP. In view of these circumstances, the Commission proposes that the current programme, as amended in 2004, should be prolonged until 31 December 2006. The financial reference amount should be increased by EUR 81.5 million.

FINANCIAL IMPLICATIONS :

- Budget lines and headings: the following existing budget lines: 010405: Improvement of the financial environment for SMEs; 02020301: Multiannual Programme for Enterprise and Entrepreneurship, and in particular for SMEs; 02010404: Administrative support.

- Overall figures: Total allocation for action: EUR 81.5million for commitment. This amount represents the budgetary impact of the proposal to prolong the existing programme, which is due to end on 31 December 2005, for the additional year to 31 December 2006.

- Period of application: 1 January 2006 - 31 December 2006.
- Payment appropriations may extend beyond the end of the legal base until 31 December 2008.
- Overall estimate of expenditure (commitment and payment appropriations): EUR 74.700 million.
- Technical and administrative assistance and support expenditure: EUR 6.800 million.
- Overall financial impact of human resources and other administrative expenditure: EUR 8.914.
- Total cost : EUR 90.414.