Implementation of the European Charter for Small Enterprises

2005/2123(INI) - 29/11/2005

The committee adopted the own-initiative report drawn up by Dominique VLASTO (EPP-ED, FR) in response to the Commission report on implementing the European Charter for Small Enterprises. MEPs highlighted the importance of small businesses in delivering the Lisbon objectives of stronger, lasting growth and more and better jobs, and welcomed the application of the Charter outside the EU Member States. They said that the Charter was playing a positive role in the preparation of the candidate countries and was also an excellent vehicle for the approximation of legislation between the associated states and the Union .

The committee also welcomed the Commission's willingness to improve access of SMEs to EU programmes and called for them to have easier access to structural funds. It wanted to see measures taken at Community level to overcome the financial obstacles still hampering the development of small and micro-businesses, particularly their access to lending. It also suggested that European subsidies for small businesses should be exempt from corporation tax and that tax and administration systems for small businesses should be reformed and simplified.

MEPs noted that progress in the area of entrepreneurship was rather patchy and said that the domain of small business professional organisation needed to be strengthened. They recommended a further development of business support networks, the involvement of small business representatives in the decision-making process and the development of business skills as an objective of national secondary education programmes. The Commission, Council and Member States were urged to start the process of modernisation of the charter by the Commission in view of the priorities of the Lisbon Strategy.

The report welcomed the Commission's initiative to withdraw one third of screened legislative proposals to ensure that the regulatory framework in which businesses operate is simple and of high quality, and urged the Member States to take equivalent measures at national level. It also called for "a more rigorous consideration of the principle of subsidiarity and a more systematic use of impact assessments and public consultation in the development of new policy proposals". It added that there was a need to accelerate far-reaching structural reforms in each Member State in order to strengthen the competitiveness of small enterprises, create favourable conditions for businesses and complete the creation of a fully-functioning internal market.

Lastly, despite expressing certain criticisms of the Commission's annual report, which was deemed to be lacking in detail, containing an inadequate analysis and devoid of recommendations for future action, the committee made clear its desire for the Commission's annual report to remain the "key instrument for monitoring the development in the field of entrepreneurship."