

Procedure file

Basic information

COS - Procedure on a strategy paper (historic)	1996/2128(COS)	Procedure completed
Programme for the craft industry and small enterprises (SME)		
Subject 3.45.02 Small and medium-sized enterprises (SME), craft industries		

Key players

European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	PPE PEIJS Karla M.H.	24/09/1996
Council of the European Union			

Key events

16/07/1996	Non-legislative basic document published	COM(1996)0329	Summary
20/09/1996	Committee referral announced in Parliament		
05/02/1997	Vote in committee		Summary
05/02/1997	Committee report tabled for plenary	A4-0034/1997	
23/04/1997	Debate in Parliament		
24/04/1997	Decision by Parliament	T4-0209/1997	Summary
24/04/1997	End of procedure in Parliament		
19/05/1997	Final act published in Official Journal		

Technical information

Procedure reference	1996/2128(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/08076

Documentation gateway

Non-legislative basic document		COM(1996)0329	16/07/1996	EC	Summary
Economic and Social Committee: opinion, report		CES1256/1996 OJ C 056 24.02.1997, p. 0007	31/10/1996	ESC	Summary
Committee report tabled for plenary, single reading		A4-0034/1997 OJ C 085 17.03.1997, p. 0005	05/02/1997	EP	
Text adopted by Parliament, single reading		T4-0209/1997 OJ C 150 19.05.1997, p. 0016-0047	24/04/1997	EP	Summary

Programme for the craft industry and small enterprises (SME)

OBJECTIVE: The Commission communication concerns an integrated programme for small and medium-sized enterprises (SMEs) and the craft sector. Its aim is to update and develop the 1994 Integrated Programme to encompass the new Community priorities for SME policy.

SUBSTANCE: The programme is in line with the conclusions of the Florence European Council and is a direct follow-up to the European Confidence Pact for Employment. It calls for an integrated approach and lists the numerous measures taken with the assistance of the Community and which, coupled with concerted action taken by Member States, will contribute to the development of SMEs, the principal source of job creation. The aim of the Integrated Programme is to ensure a closer partnership between all parties concerned with the development of SMEs at Community, national and regional levels with a view to enhancing the convergence and effectiveness of measures. The priorities and objectives of the Integrated Programme for SMEs are as follows: - simplifying and improving the administrative and regulatory business environment; - improving the financial and fiscal business environment; - helping SMEs to Europeanize and internationalize their strategies, in particular through better information services; - enhancing SME competitiveness and improving their access to research, innovation, information technologies and training; - promoting entrepreneurship and promoting special target groups (women, young entrepreneurs, craft and small enterprises). To achieve these objectives, the Integrated Programme proposes three types of measures: - concerted actions with Member States (exchange of best practice); - contributions from the European Union within the framework of the Community's SME policy (the Commission proposal for a Council Decision on a third multiannual programme for SMEs in the European Union (1997-2000) is an important component of the Integrated Programme); - measures developed under other Community policies: simplification of internal market legislation (SLIM); introduction of the Euro; aid from the Structural Funds; EIB loans; EIF loan guarantees for employment at reduced rates; access to R&DT Community programmes, access of SMEs to the Information Society; innovation in SMEs; access to training; support for international cooperation.?

Programme for the craft industry and small enterprises (SME)

The ESC supports the Commission approach. It trusts that the Council, too, will undertake to support the activities set out in the programme. The Commission points out that it is planning to draw up a recommendation to the Member States calling upon them to pay more attention to SMEs in proposals for joint financing under the European Regional Development Fund (ERDF). The ESC fully supports this approach. The Commission announces that it intends to submit a communication on direct taxation. The ESC trusts that this communication will produce real, concrete proposals for assisting SMEs to engage in trans-national activities and reducing the attending costs. The Commission's views on the preparation of SMEs for the introduction of the euro tie in closely with the ESC's views on this matter, as set out in its Opinion on the third multi-annual programme for SMEs. The Commission states that it will encourage all Member States to set up national contact points to provide a link between the national-level authorities charged with enforcing the rules governing the internal market and between the Member States and the Commission. The ESC emphatically wishes to be involved in these activities, by virtue of its responsibility for the Single Market Observatory (SMO). The ESC supports the thesis that all forms of state aid - not merely aid provided by central governments but increasingly also aid made available by regional authorities - need to be examined more intensively and more critically. This latter form of aid, too, needs to comply with the relevant EU rules. The Commission considers that there is still too little transnational investment by SMEs. The ESC endorses the view that this shortcoming can mainly be ascribed to the lack of a suitable financial instrument. The ESC would, however, draw attention to the fact that it is absolutely vital to involve the banking sector, and also venture capital funds in the preparation of such a financial instrument. ?

Programme for the craft industry and small enterprises (SME)

Noting that the current numerous actions in favour of SMEs often are inconsistent and ineffective, the Committee welcomed the Commission communication on creating an integrated programme for SMEs. In its report, drafted by Ms Karla PEIJS (EPP, NL), the Committee supported the Commission's view that a better coordination of Community initiatives as well as Member States' actions in favour of SMEs is crucial in order to fully explore their potential for job-creation. However, the Committee was surprised that the Commission document, which is about coordination, does not mention how this shall be achieved and who will carry it out. The Committee also held that better coordination was not sufficient; it is equally important to lighten the administrative burden for the SMEs. In particular, the Committee proposed the introduction of a "de minimis" clause in new legislation to avoid imposing unfair burdens on SMEs. On a similar note, the Committee also urged the Commission to improve its systems for assessing the impact new legislation and initiatives will have on SMEs. Other demands from the Committee include greater involvement of SMEs in the Social Dialogue and actions to improve the SMEs financial environment.?

Programme for the craft industry and small enterprises (SME)

In adopting the report by Mrs Karla PEIJS (PPE, NL), Parliament took the view that better coordination of Community instruments and

programmes and of Member States' actions in favour of SMEs was essential. Parliament called inter alia: - for the VAT burden on SMEs to be alleviated in the long run and the administrative and regulatory burden facing SMEs to be simplified; - for a better recognition of the SME dimension to be ensured in the various Community policies and programmes; - on the Commission to report on the feasibility of a 'de minimis' clause in directives to avoid imposing unfair burdens on SMEs; - for financial aid to be given to SMEs which develop new technologies; - for concrete steps to be taken to ensure the participation of a specific body representing SMEs in the Social Dialogue; - on the Commission to strive to promote various forms of worker participation in SMEs. Finally, Parliament criticizes the Commission communication's shortcomings as regards actions concerning the financial environment of SMEs and calls for a genuine European capital market for fast-growing SMEs. ?