

29 May 2001

Business says: Make it simple in Europe***Entrepreneurs call for a meaningful European level dialogue***

BRUSSELS – More than 300 European entrepreneurs and top decision makers attended the second annual UNICE Conference for SMEs, asking EU policy and decision makers to “Make it Simple!” Europe has still a lot to do to foster entrepreneurship, particularly in the areas of incentives, red tape, the skills gap, labour mobility and immigration.

Francesco Bellotti, Entrepreneur and Chairman of Confindustria & UNICE SME Committees, stressed that enterprise is an essential lever to create jobs and prosperity for the European economy.

“Enterprise is the source of added value and innovation,” Mr Bellotti said. “Europe urgently needs more entrepreneurs, but this will depend on creating a business-friendly environment.”

Today’s entrepreneurs are mired in red tape, and conference participants called on the European Union and member states to simplify the regulatory framework and streamline procedures, especially for start-ups. In addition, the existing patchwork of regulations across member states is a barrier to creating a more flexible labour market.

Positive steps would include lowering the tax burden on business and labour as well as creating a European private company statute to meet the needs of SMEs. For example, there are up to 20 different steps to register a new company in Europe, compared to just one in the United States. Delegates expressed considerable concerns that regulations and excessive costs such as these for transferring companies or mergers are unacceptable.

UNICE President Baron Jacobs called on entrepreneurs, the European Commission and member state governments to open a meaningful, European level dialogue to address the urgent concerns of SMEs. Strengthening the single market is a big step forward, but much more needs to be done.

The skills gap has a major impact on SMEs. Lack of skilled labour is the tightest constraint on SMEs business performance after access to finance and administrative regulations. This gap must be bridged if a culture of entrepreneurship is to flourish.

Growth Plus, released its annual Europe 500 at the conference, which profiles the fastest growing companies in Europe. Growth Plus’ Vice-President Christian Hunt pointed out that these companies are headed by entrepreneurs who, through innovation and a willingness to take risk, continued to create employment in all industry sectors across Europe over the last five years, creating a total of 250,000 jobs.

"UNICE has been benchmarking best practices since our last SME conference two years ago. Europe's entrepreneurs can be proud of their track record so far," Mr Jacobs said. "We are calling on the European Union to allow us to continue this tradition. Entrepreneurs need an environment in which they can flourish with confidence."

In his keynote address, Lars Rekke, Chairman of the Industry/Energy Council, State Secretary, Ministry of Industry; Employment and Communications, Sweden said: "We do not underestimate the challenges accepted at Lisbon to make Europe the most competitive economy. Even though the US has pulled even further ahead in terms of jobs and living standards, I see no reason why the EU should not be able to perform on par by 2010, given the right policies."

To this end, "business needs to keep enterprise policy at the heart of the European agenda," said Erkki Liikanen, European Commissioner for Enterprise and the Information Society;. "We have strengthened our efforts to cut red tape and accelerated the pace of reform and modernisation in key areas where improvements are necessary. Europe will never really be competitive as long as it is less entrepreneurial than our competitors."

Mr Liikanen pointed to the new Multiannual Programme for Enterprise and Entrepreneurship, the European Charter for Small Enterprises and benchmarking exercises that are now underway.