



*"The voice of crafts and SMEs in Europe"*

## Swedish Presidency will be instrumental in restoring confidence, say SMEs

**UEAPME Administrative Council adopts policy paper for upcoming Presidency, calls for experienced Enterprise Commissioner**

Brussels, 3 June 2009 – The incoming Swedish Presidency of the EU must break the vicious circle of low confidence in the future economic prospects leading to poor economic results, according to UEAPME, the European craft and SME employers' organisation. The UEAPME Administrative Council, meeting today in Stockholm, adopted a policy document identifying four priority areas for the Swedish Presidency in the second semester of the year (1). Against a worsening economic background and facing an expected increase in unemployment, SMEs must be granted access to finance, must be supported to maintain as many people as possible at work and must be protected against unnecessary red tape, stressed UEAPME delegates. The Administrative Council also insisted on the need for more efforts to promote entrepreneurship in Europe, calling on the EU to lead the way by appointing a candidate with direct SME policy experience as the next European Commissioner for Enterprise.

*"The second round effects of the current downturn are only beginning to appear and unemployment will be close to double digits in the next months. The Swedish Presidency will play a key role in leading Europe during these turbulent times",* said UEAPME President **Georg Toifl**. *"Restoring confidence, tackling unemployment and supporting SMEs must clearly be prioritised against this background",* he continued, before elaborating on the document approved today in Stockholm.

First of all, President Toifl stressed the fundamental role confidence plays for SMEs. *"Small entrepreneurs are not impressed by the recovery actions put in place so far focusing by and large on banks, unionised enterprises and companies that are deemed to be 'too big to fail'. Their confidence is at a record low, which clearly affects investment decisions and further stifles Europe's economic performance. The Swedish Presidency must break this vicious circle",* he continued.

Secondly, the damage of unemployment must be limited. SMEs must benefit from adapted short time working arrangements to maintain as many as possible people at work and to facilitate transitions for those becoming unemployed. These measures must be combined with effective retraining and re-skilling actions to maximise the employability of the workforce for the next upturn. At the same time, unfair competition from subsidised employment in the public or semi-public sector must be avoided, social protection and benefit systems must be open to all employees and equal treatment between SMEs and larger companies must be ensured when it comes to fiscal incentives, flexicurity measures and social plans.

Thirdly, the Small Business Act provides the principles for an effective policy in line with the needs of small enterprises as well as a long catalogue of concrete measures to be taken at all levels to improve the business environment for SMEs. It will be also up to the Swedish Presidency to ensure that these intentions become actions in the next months, stressed Mr Toifl. *"Crafts and SMEs will only be able to lead Europe's economy out of the current crisis if their capacity to survive, grow, innovate and create new jobs is enhanced. This means not only giving a concrete follow up to the commitments made in the framework of the Small Business Act, but also closing other long-standing dossiers such as the Community patent and protecting SMEs against unnecessary administrative burdens and excessive compliance costs",* he continued.

Finally, the next European Commission will be nominated under the Swedish Presidency. *"The outgoing European Commission has been the most SME-friendly college to date, but much remains to be done to ensure that policymakers fully understand the reality in which small businesses operate and legislate accordingly. An Enterprise Commissioner with first-hand SME experience could really make a difference in this respect. The Swedish Presidency should seriously consider this possibility in the upcoming negotiations between Member States",* concluded Mr Toifl.

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(1) Available at [http://www.ueapme.com/IMG/pdf/090603\\_SME\\_priorities\\_for\\_Swedish\\_Presidency\\_final.pdf](http://www.ueapme.com/IMG/pdf/090603_SME_priorities_for_Swedish_Presidency_final.pdf)

**EDITORS' NOTES:** UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 83 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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