

Position Paper

UEAPME¹ proposals for a renewed EEN

Introduction

In many Member States the Enterprise Europe Network (EEN) does not reach the SMEs. This is mainly due to the fact that the Commission does not sufficiently take into account that the organisations representing SMEs are organised differently in the different member States. Although it was never the intention of the Commission, it has led to the situation that the actual network is in some countries even going against the freedom of organisation of entrepreneurs.

The EEN is supposed to be an enterprise network, but in many regions the representative SME organisations are not involved and thus it is not possible to build a network between enterprises and enterprise organisations. Contrary to what is supposed to be the added value of the EEN, it does not provide in some countries the possibility for SMEs to establish direct contacts and to receive professional support services. The Commission indirectly recognises these shortcomings by stating that there is a need to promote the “European Small Business Portal” also through EU business organisations at EU and national level.

The recent consultation document on internationalisation (2011) is indirectly recognising that the EEN is not completely fulfilling its goals, as it rightly mentions that SMEs in the EU are often unaware of the business support services of the EU. That consultation document also rightly recommended the need for a more efficient coordination of the existing support infrastructure, better access to information better tailored to the SME needs.

Also the European Economic and Social Committee stressed in a recent opinion that *“in a number of Member States, unfortunately, not all the organisations representing the various categories of SME are associated with the network. The network should be thoroughly assessed and its methods and operating rules improved so that organisations from the various categories of SME in the Member States can more readily participate in it.”*²

In some countries the project promoters and partners/public authorities running the EEN have not sufficient feeling and contacts with the target group, i.e. the smaller SMEs, are not able to adapt their actions to the whole diverse SME community and consequently do not reach at all or not sufficiently the target group. Therefore a better cooperation with the enterprise world, more specifically the SME organisations is necessary. (Before the new call will be published a minimum temporary improvement could be that for example a coordinating role towards the EEN should be given to the representative SME organisations that have on a regular basis contacts with and through their experience have a broad know how about the target group and its needs.)

The visibility of the network is minimal and SME organisations are asked to give their cooperation on actions led by the EEN.

¹ UEAPME subscribes to the European Commission’s Register of Interest Representatives and to the related code of conduct as requested by the European Transparency Initiative. Our ID number is [55820581197-35](#).

² OPINION of the European Economic and Social Committee on the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions: Review of the “Small Business Act” for Europe - INT/573, 21 September 2011, point 4.1.2.

The EEN has to be evaluated and reformed. The EEN should build on the existing networks the representative organisations have developed over decades and that go into nearly every village and city.

There is no sense in a “one-size fits all” approach in an increasingly heterogeneous EU. The EU must recognize different economic and institutional situations in the Member States. The EEN must be adapted and integrated in the specific national and regional context. The scope of activities must be as flexible as possible in order to make the most for SMEs. Therefore the Commission should take into account the specific situation in the different countries. It makes no sense to develop a parallel network to the existing well functioning SME-organisations.

The modalities of its territorial implementation should reflect the diversity of SMEs and should lead to synergies and coherence with the role already played by the representative SME organisations.

In the mean time existing SME-organisations should try to be part of an EEN consortium (and be allowed to be part of!). The more we have real SME organisations in the network, the more SMEs will be reached and the more relevant the EEN services will be.

Examples of consequences of the actual situation for SMEs

The Sustainable Development Unit of UEAPME, to give one example, has seen how the EEN benefits from some calls for proposals which are only open to them. This is the case for projects in the framework of the Environmental Compliance Assistance Programme (ECAP) managed by DG Environment.

UEAPME regrets this situation. SME organisations should be entitled to bid for these types of projects too. DG Environment is aware of UEAPME’s demand. Also in the framework of ECAP, UEAPME has tried to link SME organisations with EENs developing ECAP-related projects. This attempt has not worked at all at local or regional level. In some cases, EEN and UEAPME’s member organisations are not acquainted. In most cases, they are acquainted but work in parallel and synergies are difficult, if not impossible, to create.

It is important to state that some UEAPME member organisations were part of the Euro Info Center network but only few are part of the Enterprise Europe Network. SME organisations are long-standing professional organisations with a strong reputation at national, regional and local level. Such a network of SMEs cannot be excluded of calls for proposals or similar EU initiatives.

The way forward

Starting point for the reform should be the question what the needs are. Everybody recognises and knows that there is still a tremendous gap between “Europe” and the citizen. This is also true for the specific target group of the small enterprises. Globalisation makes it also necessary to think “European”. As a consequence there is a need for:

1. Awareness raising
2. First line advice

How to organise this?

- In its globality, meaning all topics, all aspects
- Or a selection?

This is a choice the Commission has to make, knowing that if they want to deal with all aspects it will become more expensive and more complicated to organise.

All activities of the European networks concerning information, counselling, support, submitting applications in the "economical field" should ideally be done by the most representative business organisations or, if not possible, by organisations that work closely with organisations representing SME's.

Indeed business organisations are more accessible for SMEs and the burden is lower as they are already the first port to call. Moreover, when a small enterprise has a problem or a question it does not know or it does not care whose competence it is, they simply contact the organisation they rely on, meaning their business organisation.

Where to install the EEN: in these organisations with most attention to the entrepreneurs. In addition, the modalities of its territorial implementation should reflect, as mentioned already above, the diversity of SMEs and the way business organisations are structured and organised. They should lead to synergies and coherence with the role already played by the representative SME organisations.

The problem so far with the EEN is that it has been approached and managed by the Commission as a "project", while it is not a project. It should be a **structural task**, which should be financed in a direct way.

As small (< 50 employees) enterprises represent the overwhelming majority of enterprises in Europe, the rationalised centres have to focus on them.

UEAPME proposes the following conditions for recognition of the new designed EEN:

- First and foremost EENs should be located in a business, an employer's- or self-employed organisation, which is recognised as representative at national level (regional in the case of a federal structure). It has to be a proven network for enterprises in the region itself and not only for international active enterprises. They should be selected according to the quality of their contact with businesses in their region. If this is not possible or if the national model of representation of SMEs does not allow this, they can be located in other structures that prove their ability to rely with the diversity of SMEs. These criterions should guarantee that the EEN are not competing with the existing SME organisations.
- The organisations have to represent the private sector;
- The centres have to be open for all SME (no conditional sale, membership for information,...) (or for SMEs for which the host-organisation is considered as representative for) and directed to all of them (and thus not only to innovative ones or international active ones)
- Provide guarantees for continuity (sound financial basis);
- Its "mobilising" talent, a proof that the host is embedded in the "local" ecosystem.
- The possibility to recognise one organisation at national level that plays the role of relay towards the regional level.(contrary to single regional consortium criterion)

What can be done immediately?

UEAPME appreciates a lot that the European Commission is taking the well functioning of the EEN as an immediate priority. Taken the numerous shortcomings in some Member States into account, only a fundamental reform according the UEAPME proposals can lead to a better functioning. As UEAPME is aware that this can only be achieved after the new call, we propose the following short term approach:

The European Commission should immediately asses Member State per Member State the functioning of the EEN. This should be done not only through a survey among the relevant public authority and the EEN operator itself, but also among the business/SME/professional organisations. As it is of utmost importance for the EEN to reach the SMEs, this should be the starting principle of the proposed evaluation. Even if, on the basis of the gathered data, it appears that SMEs are reached, it has to be verified if this is done on the most efficient way.

Awareness raising campaigns on the EEN are not a solution. Once again UEAPME stresses the fact that it makes no sense to promote the “EEN” brand, or the “Solvit” brand. These resources could be better used for campaigns to encourage enterprises to contact for every problem they encounter their business organisations.

Concerning the governance UEAPME can support in addition the creation of a “Strategic Committee” only composed by the representative European SME organisations and the Commission.

UEAPME preliminary comments on the accompanying documents:

Document Enterprise Europe Network 2.0. Challenges’ for the future:

First of all, it is not clear which future the document is talking about. Is this document dealing with the future of the EEN after a new call or about the existing network? After more than one year of negotiations with DG Enterprise and the Cabinet, UEAPME is quite surprised that no substantial progress is made on the reform, despite the multiple promises.

2.2. Needs of European businesses.

UEAPME welcomes the fact that the Commission states that “the heterogeneity of SME profiles means also that the services provided to them have to be diversified to address all their needs”. However the document says nothing at all about the reform of the structure, or about the hosts!

2.3. Need for European institutions. The document states that “*There is a general need in the Commission to **inform SMEs on current European policy priorities** and important initiatives addressed to business. There is also a need to reach out to SMEs to ask for their **feedback on existing EU legislation and initiatives**, and to **involve SMEs into European policy making by consulting them in advance on forthcoming legislation.***”

What is written here suggests that the Business Organisations are not doing their work. Information, feedback, involvement in European policy making is exactly what our member organisations are doing. Consultation through the Network should be limited to targeted consultations. At the moment it cannot be considered as having any representativeness.

UEAPME is of the opinion that the SWOT analysis is not really representative for the majority of the Network and gives a too positive view on it. Concerning the mentioned weaknesses of the Network, the Commission is more concerned about the visibility of the Network. The fact that SMEs are not reached is brought back to a problem of visibility.

We are even more surprised concerning point 5.4. On the threats: parallel support services. The Commission document states that:

“There are other business support infrastructures both at national and European level that might consider themselves as being in a competitive situation with the Enterprise Europe Network. This may lead to a fragmented and isolated support landscape which makes it for SMEs more difficult to get efficient help.”

This gives the impression that our organizations, no member of EEN, are contributing to a fragmented landscape, while it is the Commission that has set up upon a parallel network. Even worse, the fact that our organizations which are not in the network are giving advice is considered as a threat for the SMEs!!!

In general our demand for reform is NOT in. The Commission still considers it as a problem in a minority of the cases. Raising visibility remains for the Commission the main problem. The document speaks only about actors (not business organizations) so there is no commitment to involve more the BO in the future call. The limited number of SMEs reached is not tackled, not even mentioned. Also not the diversity (meaning that they only reach a certain type of enterprises).

The possibility to recognize one organisation at national level that plays the role of relay towards the regional level (contrary to single regional consortium criterion), a demand made by UEAPME is not in, on the contrary.

Document on internationalisation:

Main comment: The document as such has nothing to do with EEN but with the implementation of the Communication on internationalization. (Role of EEN in the “Missions for growth...”). In general there is nothing in about what kind of SMEs the Commission wants to reach. In our opinion, too much emphasis is put on innovative and international active enterprises.

Nothing learned from the experience in the field of environment (see above)

EEN (cfr our note) should try to reach every kind of SME (info +service).

We should wait for the results of the mapping exercise actually done by the Commission.

Internationalisation activities related to third countries should be limited. The network has still enough work to motivate SMEs to benefit from the opportunities of the Single Market. The basic mission of the network is to co-operate at European level and to promote intra-EU activities. The more the network is expanded, the less network-effect can be achieved within the EU. Personal contacts of partners made in working groups, joint events etc. are more intense and helpful if there is a main focus on a geographical area.

Furthermore, internationalisation activities are offered in many member states by other organisations. The whole issue of internationalisation is to be dealt with in a wider context (mapping of existing services of EU commission and member states & respect of national instruments and the principle of subsidiarity). Here again, the Commission should recognize the diversity of Member States and not take a group of countries with little SME support as justification for an EU-wide « one size fits all » approach.

EEN and Horizon 2020

Most important point is the fact that *“the intention is to provide mentoring and coaching services to the beneficiaries of the SME Instrument”*. The document is not very clear on it and lacking detail.

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