PREAMBLE

At the first SME UNION General Assembly after the accession of the 10 new Central and Eastern European countries (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia), the SME UNION officially cordially welcomes the new Member States of the European Union. This is a historical moment, both because of the number of countries entering the European Union and because of fundamental economic, financial and social changes and challenges this will bring for these countries and for Europe as a whole. The SME UNION is looking forward to taking advantage of its enlarged capacities and potentials in order to exert influence in the decision making process at the European Institutions and especially within the European Parliament.

With this in mind, and in accordance with the numerous statements, publications, resolutions and press releases of the SME UNION and its affiliated working groups and sub-organisations such as the SME Circle, SME Global, SME Women, SME Central this declaration is intended as a contribution to the process of political opinion-forming and political decision-building during this period of enlargement.

The SME UNION of the EPP strongly aims at attaining the Lisbon goals, which is to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion by 2010. In order to achieve this goal it is indispensable to promote entrepreneurial activity and to create an economic and legal environment for small and medium-sized enterprises, which encourages the creation of jobs and increases economic growth and competitive capacities. Social exclusion and unemployment belong to the strongest actual fears of the citizens in all European societies. The only sustainable and effective instrument to combat unemployment and social exclusion is the creation of jobs by stimulating economic growth. The SME UNION points out that by supporting SMEs it is not only to do them a favour, but for the sake of the entire European economy since it is the SMEs that create jobs and therefore growth through innovation and economic dynamism.
DECLARATION

The SME UNION sees its role in setting standards for its business environment in order to close the gap between the ambitious Lisbon Agenda and its poor implementation so far. The SME UNION therefore strikes for its goal …

1. … to encourage and develop activities for the exchange of best practices between SMEs in the new and old Member States and to look at the enlargement as chance for the former EU of 15 to learn from the accession-countries bringing fresh spirit into the European integration process.

2. … to stress entrepreneurship’s fundamental role for the personal development of each worker and for the entire European society.

3. … to fully support the implementation of the European Commission’s Entrepreneurship Action Plan¹ and to foster entrepreneurial spirit in general.

4. … to improve the quality of training and vocational training; to enforce the principle that everybody has the right to a sound basic qualification; to stimulate the member states to maintain or create an infrastructure of higher qualification which is sufficient to meet the challenges of the 21st century; to strengthen the idea of lifelong learning.

5. …to promote a better understanding of failure, distinguishing between honest and dishonest bankruptcies in order to tackle the stigma of failure.

6. … to improve the role of women as entrepreneurs in order to close the gender gap in European employment and start up rates.

7. … to enhance competitiveness by reducing regulation implemented costs and by cutting red tape. First priority of job creation and sustainable growth must not be endangered by secondary issues causing additional barriers.

8. … to promote Corporate Social Responsibility (CSR) as a good way to maintain high social and environmental standards only being preserved by a healthy, prosperous and flexible economy. SMEs are not only the economic backbone of Europe but also the backbone of our society supporting family businesses and the middle class.

9. … to encourage the discussion and the steps to reform the structures of social security which leads to sustainable and socially acceptable systems taking into account the demographic changes and in particular the ageing population.

¹ COM(2004) 70 final of 11.02.2004
10.…. to reduce the **tax burden** for European citizens and enterprises including the use of tax competition and to lower the percentage of public spending to 40% of GDP.

11.…. to ameliorate **access to finance**, especially to venture capital and equity for SMEs.

12.…. to have a strong voice for SMEs in the European Commission and to reflect the cross-section character of SME related issues by establishing a Directorate General with an **own Commissioner for SMEs**. Consequently, we support the installation of a SME Committee at the European Parliament.

13.…. to convince many MEPs of the EPP-ED group of each Member State to join the **SME Circle**, and who devote themselves to representing the interests of small and medium sized Enterprises in various parliamentary committees.

14.….to support SME minded EPP candidates in all Member States with national member organisation of the SME UNION for the **elections to the European Parliament** in June 2004.

15.…. to support and intensify the **dialogue with the Balkan States** in order to complete the integration process and to fill the geographical gap on the European continent.

**CONCLUSION**

In this declaration, the SME UNION expresses its expectations of these measures with the help of old and new Member States of the European Union being a basic step forward in achieving the Lisbon objectives.

The SME UNION as the driving force gets to work for the better future that our United Europe deserves. SMEs are the way forward. Together with the national SME Unions of Europe we can form a strong partnership: For business, for employment, for the people and society. If small and medium sized enterprises are doing well in enlarged Europe as the biggest economic area of the world, the European economy and its people are doing well also.