

Annex III of the Conclusions of the Presidency of the Santa Maria Da Feira European Council of 19 and 20 June 2000.

SUMMARY

Small enterprises are the driving force for innovation and job creation in Europe. Their small size makes them very sensitive to changes in the industry and environment in which they operate. This is why emphasis was placed on the need to facilitate the development of small enterprises by the Heads of State or Government and the European Commission at the European Council in Feira (Portugal) on 19 and 20 June 2000.

The Heads of State or Government and the European Commission acknowledge the dynamic capacity of small enterprises, particularly when it comes to providing new services, creating jobs and fostering social and regional development. They also stress the importance of entrepreneurship and of not penalising some of the failures. They also agree on the strength of values such as knowledge, commitment and flexibility in the new economy.

In order to stimulate entrepreneurship and improve the business environment for small enterprises, the Heads of State or Government and the European Commission have decided to work on ten lines for action, i.e:

- **Education and training for entrepreneurship**

In order to nurture entrepreneurial spirit from an early age, there will be a need to impart knowledge about business, particularly at secondary and university levels, to encourage entrepreneurial initiatives by youngsters and to develop training programmes for small enterprises.

- **Cheaper and faster start-up**

Company start-ups will become cheaper and faster, particularly through the use of online registration.

- **Better legislation and regulation**

There will be a reduction in the negative impact of national bankruptcy laws and new regulations on small enterprises. It will be made easier for small enterprises to use administrative documents and they will not have to apply certain regulatory obligations.

- **Availability of skills**

Training institutions will deliver skills adapted to the needs of small enterprises and will provide lifelong training and consultancy.

- **Improving online access**

Public administrations will be urged to develop online services for their dealings with enterprises.

- **Getting more out of the single market**

The Member States and the European Commission will complete the single market so that enterprises can derive the maximum benefit from it. At the same time, national and Community competition rules will have to be vigorously applied.

- **Taxation and financial matters**

Tax systems will need to make life easier for enterprises. Access to finance (risk capital, structural funds) will need to be improved.

- **Strengthening the technological capacity of small enterprises**

Efforts will be made to promote new technologies, implement the Community patent and facilitate access to research programmes which are more focused on commercial applications. Inter-firm cooperation and cooperation with higher education institutions and research centres will be encouraged.

- **Successful e-business models and top-class small business support**

Enterprises will be encouraged to adopt best practices. Business support services will be developed.

- **Develop stronger, more effective representation of SMEs' interests at Union and national level**

Solutions aimed at representing small enterprises within the Member States and the European Union will be reviewed. National and Community policies will be better coordinated and evaluations will be carried out with a view to improving the performance of small enterprises. An annual report on the implementation of the Charter will appear in the spring of each year.

For the EU Member States, the implementation process was launched in the spring of 2000. The acceding and candidate countries have been involved in the process since the spring of 2002. Following the adoption of the Charter by the acceding and candidate countries in Maribor (Slovenia) on 23 April 2002, the process was also launched in other geographical areas. The Western Balkan countries (Albania, Bosnia-Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Serbia and Montenegro) and Moldova adopted the Charter in Thessaloniki (Greece) in May 2003. That year, these countries embarked upon the first stage of the implementation process. The results will be presented in a separate Commission working document.

At their meeting in Rome in October 2003, the European Union's partners in the Mediterranean region (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority, Syria and Tunisia) agreed to launch a process to adopt a "Euro-Mediterranean Charter for Entrepreneurship", based on the model of the European Charter. This Euro-Mediterranean Charter should be adopted in 2004 and the European Commission will monitor its implementation.

(http://ec.europa.eu/enterprise/enterprise_policy/charter/index_en.htm)