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EUROPEAN PARLIAMENT OF ENTERPRISES: Entrepreneurs call for stronger EU tackling business needs

Businesses care about Europe, but Europe doesn't always care about businesses. This is the main conclusion of yesterday's European Parliament of Enterprises, which gathered over 750 entrepreneurs from 45 European countries in the hemicycle of the European Parliament in Brussels.

Through their debates and votes on four main topics - internationalisation, the labour market, finance and energy - entrepreneurs resolutely called for more vigorous EU and national policies that respond to their daily concerns.

Participants overwhelmingly called for:

- a stronger European Economic Diplomacy, advocating and defending their common economic interests on global markets;
- more work-based learning schemes to ensure the availability of skilled workers;
- tax regimes that are more equity investment friendly;
- a more flexible and innovation-based approach to increase energy efficiency.

Richard Weber, President of EUROCHAMBRES, said: *"Entrepreneurs yesterday had only 60 seconds each to express their main concerns, but now the European Institutions have five years to follow-up on them! We have sent powerful and clear messages to policy-makers; we will now be closely monitoring that these demands are properly addressed in the coming days, weeks and months."*





Results of votes

SESSION 1 - INTERNATIONALISATION

1. Is the EU Single Market sufficiently integrated, allowing your company to operate and compete freely? → **84% NO**

With this negative vote, companies stress that the EU Single Market is not yet achieved. The slow and sometimes incomplete implementation of directives, the inadequacy of certain instruments, the persistence of some barriers to cross-border trade and investment contribute to such difficulties and jeopardise a competitive economy.

2. Should free trade negotiations also include social, environmental and ethical standards to ensure a level playing field? → **81% YES**

The positive vote underlines that trade is about more than just tariff reductions. It shows that businesses are not willing to compromise on social or environmental standards on the international stage. EU trade policy must ensure that trading partners play by the same rules if they conclude trade agreements with the EU.

3. Should the EU develop a stronger European Economic Diplomacy, advocating and defending our common economic interests on global markets? → **95% YES**

With this resounding positive answer, companies accept the added value of a stronger European voice to defend and promote their economic interests around the globe. Businesses call on the EU and its Member States to pool resources and roll out an ambitious and coherent Economic Diplomacy.

4. Should the EU protect its industry more strongly against trade distortions and unfair competition, e.g. with tougher trade defence rules? → **85% YES**

The positive vote is a clear sign that Europe needs to do more to protect its enterprises against unfair competition from third countries. The competitiveness of Europe depends on companies being able to rely on a fair game. If we do not want trade liberalisation to be a one-way street, we need to optimise and fully use the available framework of trade defence instruments.

5. Do you believe a free trade agreement with the US (TTIP) could benefit EU companies? → **81% YES**

The vote emphasises the crucial importance of the TTIP for European entrepreneurs. It also proves wrong those that claim that TTIP only benefits large multinationals, since 80% of voters were small and medium enterprises (SMEs). Negotiators should move swiftly to deliver substantial progress, taking into account the specific needs of SMEs.



SESSION 2 - SKILLS

1. Should member states undertake reforms necessary to ensure a strong provision of work-based learning? →99% YES

This positive vote sends a strong message that reforms have to be put in place at national level to reduce the skills mismatch. In acquiring work-related skills at the work place, students are better prepared for the reality of their job and to meet the expectations of businesses.

2. Should the EU create a pan-European mobility programme for job-seekers in order to fight youth unemployment? →93% YES

This positive vote illustrates that greater cross-border labour mobility could be a solution to temporary high unemployment in one country and skills shortage in another, which would be to the socio-economic benefit of the EU as a whole. The free mobility of people is one of the pillars of the EU single market. With this vote the entrepreneurs affirm the central role of the EU in the field of labour mobility.

3. Should more be done at EU level to strengthen the provision of apprenticeship schemes across the member states? →95% YES

By voting 'yes' to this question, entrepreneurs confirm their interest and willingness to play an active role in education and training. Businesses demand a fast development of quality apprenticeship schemes. The EU can act as a facilitator and provide support to countries that lack experience in this respect.

4. Should the EU encourage a better balance between academic and vocational education? →97% YES

This positive vote illustrates that vocational skills are at the heart of business needs. Excellent vocational skills build the foundation of Europe's economy and can secure sustainable employment. High tertiary education attainment does not prevent from high youth unemployment rates, as the recent examples of Spain, Latvia and France illustrate.





SESSION 3 - FINANCE

1. Do you believe that national governments do enough to fix the problem of late payments between public bodies and business? →85% NO

A majority of European entrepreneurs take the view that the regulation on late payments should be stricter than it is now, while its implementation should be more disciplined. Despite the measures contained in the revised Late Payment Directive, a late payment culture is still deeply engrained in the public and private sectors.

2. Should member states commit to a common EU SME guarantee instrument? →73% YES

The strong 'yes' vote shows that companies perceive guarantee instruments as an additional tool to access finance. Pooling resources by member states to form new joint instruments would allow for greater volume, leverage and thus value added for SMEs, e.g. via a European Guarantee Platform.

3. Do you believe that access to finance has become more difficult due to increased regulatory costs for the banking sector? →75% YES

The majority of 'yes' votes shows that some banks have introduced additional measures in order to meet the capital requirements and heal their balance sheets. Taking into account the fact that 85% of loans for businesses still come from banks, there is an urgent need to find a balance between a sustainable financial sector and meeting the financial requirements of businesses.

4. Should tax regimes be more equity investment friendly? →95% YES

This conclusive vote in favour of a more incentivising fiscal regime shows there is a need for coordinated action at European level. The removal of double taxation on equity in some countries would be one such measure. Despite acknowledgement that European tax regimes are generally not in favour of equity, very little has been done.

5. Does a lack of quantification of intangible assets hinder innovative businesses' competitiveness and access to credit? →73% YES

Quantification of intangible assets can be a useful component in the fight for better access to finance, especially in those countries most affected by the crisis. Many banks already implicitly evaluate intangible assets when considering potential SME customers.



SESSION 4 - ENERGY

1. Should the EU only pursue ambitious climate change mitigation policies if other major international economies make comparable commitments? →66% YES

A majority of entrepreneurs underline the need for a global response to climate change rather than a unilateral EU one. Over 90% of worldwide emissions are produced abroad and unilateralism will simply drive energy-intensive industries out of Europe, damaging both the EU's economy and the climate. Therefore, a new CO₂-target must reflect to what extent a binding international climate agreement is reached in 2015 and ratified by all of its signatories.

2. Do you believe that the competitiveness of energy- and emission-intensive industries is sufficiently addressed in EU energy and climate policies? →75% NO

The negative vote confirms the confidence in the current measures to protect energy- and emission-intensive industries, like the carbon leakage legislation, which should be continued in the future policy framework for 2030. Moreover, the outcome of the vote can be explained by the lack of policies that address competitiveness aspects of the wider economy, while only focusing on specific sectors.

3. Should the internal market for energy be completed as soon as possible? →94% YES

Entrepreneurs remind Member States that much still remains to be done to complete the internal market for energy. An efficient, interconnected and transparent European internal energy market will offer citizens and businesses secure and sustainable energy supplies at lowest possible costs.

4. Should the EU and member states devise a more cost-effective strategy for the uptake of renewable energy? →97% YES

By voting yes, entrepreneurs show that the EU's strategies to promote renewable energy have to be reconsidered. Although nobody questions the importance to increase the share of "clean energy", it is critical to find a way to promote renewables in a more cost-effective manner. At the same time, the EU should not waste any efforts on energy sources which have little or no potential to compete in the free market in the foreseeable future.

5. Should the EU and member states devise a more flexible and innovation-based approach to increase energy efficiency? →98% YES

The clear-yes vote confirms that practical support measures are the best and most direct way to promote energy efficiency. Concrete and voluntary initiatives, addressing the economic needs of businesses, must be multiplied and expanded.

Further information: Mr. Arnaldo Abruzzini, Tel. +32 2 282 08 51, abruzzo@eurochambres.eu
Press contact: Ms. Susete Sampaio, Tel. +32 (0)2 282 08 56, Mob. +32 491 27 91 60, sampaio@eurochambres.eu
Official website of the European Parliament of Enterprises: www.parliament-of-enterprises.eu
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