

PRESS RELEASE

EUROCHAMBRES' CAPE Survey 2004: Central European enterprises support accession and are optimistic about prospects However SMEs lack preparedness

EUROCHAMBRES' fourth annual CAPE Survey* - published today - shows continuing strong support of the Central European business community for accession (89%), and an increased compliance with the EU legislation.

Arnaldo Abruzzini, Secretary General of EUROCHAMBRES, said: *"The survey shows an improving situation. But there is still a need for action – especially as regards SMEs. The smaller/less export oriented a company is the less informed/advanced in preparations it appears to be. Consequently, SMEs are less optimistic about their business prospects. On 1 May, accession will be concluded on a formal basis. But companies' adaptation will continue and need to be even further intensified and supported."*

While 89 % of bigger companies claim to be fully or partially informed about the Acquis, only 61 % of SMEs believe themselves to have reached that level. The number of big companies which are optimistic about their business prospects amounts to 67%, SMEs show a decreased optimism (51–250 employees: 61%; 1 -50 employees: 55%).

Overall, companies are increasingly well informed about the Acquis as 69% claim to be fully or at least partially informed (2003: 62%). The share of those which say they are not informed at all decreased from 28% in 2003 to 21%. Over the 4 year-period (2001-2004), the survey reveals a steady and consistent progress in information levels.

Major progress with preparations

An increasing number of companies estimate that their compliance with the general provisions of the Acquis has improved (from 2.0 in 2003 to 2.2 in 2004 out of 4.0). Companies have made major progress to respect the relevant EU legal provisions. The percentage of companies that have not started organized preparations yet has decreased from 51% in 2003 to 41% in 2004.

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* EUROCHAMBRES' 4th CAPE Survey polled more than 4,000 companies (of which 87% are SMEs) in Bulgaria, Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovakia and Slovenia. EUROCHAMBRES "Chambers' Accession Programme for Eastern Europe" CAPE is financially supported by the EU "PHARE Business Support Programme" and conducted by EUROCHAMBRES and the Slovenian Business and Research Association in cooperation with Central European Chambers.

EUROCHAMBRES has member organisations in **41** countries representing a network of **2,000** regional and local Chambers with over **17 million** member companies.



Companies from Slovenia, the Czech Republic and Estonia seem best prepared

Companies from Slovenia, the Czech Republic and Estonia believe themselves to be best prepared. Slovenian companies score the highest percentage of companies being fully informed about the Acquis (23%). The Czech Republic (together with Hungary) is leading as far as regards the compliance with the general provisions of the Acquis.

Most advanced preparations in financial services, agriculture, and manufacturing

Preparations seem to be most advanced in the sectors of financial services, agriculture, and manufacturing. These sectors achieve the highest scores for organised preparations. The sectors of construction, real estate, business activities and information-communication technologies lag behind with organized preparations.

Companies expect tougher competition on the home market

The most important effects anticipated by polled companies remained unchanged since 2003 and are 'tougher competition at the home market' (20%), followed by 'easier access to EU markets' (15%), 'more transparent business practices in the home market' (14%), and 'bigger inflow of foreign direct investment' (10%) .

Lack of finance remains the main preoccupation of companies. 15% of the polled companies see serious difficulties in this area. The share of companies seeking a strategic partner increased from 18% (2003) to 21% in 2004.

Need for Brussels-based business representation of new Member States

Representation on a European level is of key importance – particularly over the coming 5 years. Arnaldo Abruzzini said: *“There is a real need for effective national business representations in Brussels. Organisations like EUROCHAMBRES will continue to help, but we will never take purely national positions, track legislation with particular national interests, identify programmes of particular relevance to national business community - In this regard, we strongly believe that Community funding should be made available to create Brussels -based national business representations from the CE countries.”*

Chamber activities to support CE enterprises

Mr Abruzzini confirmed that Chambers will continue activities to help companies comply with the Acquis, and maximise the possibilities of accession. EUROCHAMBRES will continue to organise training for CE Chambers experts to become advisers on compliance with EU legislation. The Chambers will also continue to develop self-assessment and other tools to help the business community in the 25 Member States.

To celebrate the forthcoming enlargement on 1 May and express their full support for accession, Chambers of the 25 Member States will sign a declaration in Vienna today.

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