

European Parliament of Enterprises: Businesses take over Parliament Hemicycle and vote

The first edition of the European Parliament of Enterprises (EPE) just concluded in the Brussels Hemicycle of the European Parliament. Over 750 entrepreneurs of all sizes and sectors of business, from 45 European countries, conveyed the concerns of 23 million enterprises in the EU by debating and voting on crucial political topics.

The ongoing financial crisis was foremost in the participants' minds. With their votes, EPE Members illustrated that the shockwaves from the crisis in the financial markets are beginning to spread across the business community: 66% of participants will be obliged to review their investment plans and half of them are, even at such an early stage, encountering tighter credit conditions.

Apart from the financial situation, entrepreneurs debated some of the key issues facing Europe today, including international trade, climate change and demographic shifts (see detailed report of votes below).

Commenting on the general outcome of the event, EUROCHAMBRES President Pierre Simon said: *"The views of an individual business, especially a small or medium-sized one, are easy to ignore, but these 750 plus entrepreneurs convey the concerns of 23 million businesses across Europe, so their cumulative impact is enormous. Policy makers, starting with the European Council tomorrow, must take notice of their concerns and work with them closely in finding solutions that will enable Europe to come out of recession and compete globally."*

Results of votes

Session 1: Doing Business without Barriers

In this session, entrepreneurs debated access to the internal and the global market. Votes underlined the need for improved intellectual property rules, further removal of barriers to trading across borders, both within and beyond the EU, and the importance of proceeding with the proposed EU Blue Card scheme.

Question 1 – Is the continued absence of a Community Patent damaging to European business?

With 90% 'yes' votes, entrepreneurs clearly expressed the urgent need to reach an agreement on the Community Patent to protect their innovative products and services. The cost of getting a European patent in 6 EU countries is EUR 22,000. If this patent is extended to the 27 Member States, the costs increase to approximately EUR 82,000. In comparison, the same Community Patent would cost less than EUR 20,000 and would automatically be valid in the EU 27.

Page 1 of 3

Question 2 – Should the European Commission help SMEs entering new markets, complementary to national initiatives?

Over 90% of European small and medium enterprises (SMEs) do not export at all. The huge majority of SMEs present in the EPE today (90%) were clearly in favour of reversing this trend and look forward to a greater role from the European Union in this respect, complementary to the role already played by Member States.

Question 3 – Do you support the development of a European immigration policy based on economic needs, for example the proposed Blue Card scheme?

By expressing a positive vote (76% 'yes') in favour of the proposed 'Blue Card', entrepreneurs demonstrated the need for a coherent immigration policy based on economic needs. Companies suffer from a lack of skills in the EU to fill gaps in the job market. The information technology and science sectors in particular have suffered a persistent brain drain in recent years, endangering their competitiveness on the European and global markets.

Session 2: Tackling the Energy and Environmental Challenge

In considering the energy and environmental challenge, Members of the EPE stressed that businesses are a fundamental factor in meeting the 20/20/20 targets, but reminded policy makers that measures taken should not be to the detriment of competitiveness. The voting highlighted the entrepreneurs' commitment to reducing energy consumption by expressing their willingness to undertake energy audits. They also supported the concept of green public procurement and urged the EU to push for a level international playing regarding measures against climate change.

Question 1 – Do you think there should be environmental criteria in public procurement?

The 'yes' vote on this question (70%) confirms that businesses care about the environment and think that the public sector has a responsibility to encourage environmentally-friendly products and services, also via public procurement. With a volume of 16% of GDP, public procurement markets have a potential to create a critical mass that paves the way for a higher uptake of environmentally-friendly products also in the wider market.

Question 2 – Would your business commit to undertaking an energy audit within the next twelve months?

The positive outcome (68%) of the vote shows that businesses are well aware of the importance of using energy efficiently and recognise that an energy audit, that allows the identification of potential savings, is a good starting point for this.

Question 3 – Should the EU commit to further greenhouse gas reduction targets, even if other major economies do not?

The business community recognises that the EU has an important role to play in tackling climate change, and that this could present business opportunities. However, the outcome of the vote (44% 'yes', 49% 'no') on this question reflects the concern that unilateral EU action would potentially put the European economy at a competitive disadvantage, while it will not be enough to tackle the climate change.

Session 3: Creating an Entrepreneurial Europe

Only a thriving business community can drive Europe's economic recovery and sustained growth. The EPE reiterated this point in session 3, urging policy makers to encourage entrepreneurship, minimise regulatory burdens and reduce the alarming skills gap, as well as to simplify corporate tax rules across Europe.

Question 1 – Should any legislation that does not include a cost-benefit analysis for SMEs be halted?

81% of EPE companies voted in favour of this question, sending a strong signal that SMEs must be treated as the rule, not the exception in policymaking at EU and national level. Participants insist that the European Commission and national authorities systematically include an evaluation of costs and benefits for SMEs in the impact assessments carried out on all new EU legislation affecting businesses.

Question 2 – Is your company prepared to assist local education institutes in developing education programmes in order to reduce the skills gap and promote entrepreneurial mindsets?

Entrepreneurs today demonstrated their overwhelming commitment (94%) to assist education institutes in designing more business-oriented curricula. The vote reveals how pressing the skills mismatch among companies actually is and how crucial it will be for the future to align educational programmes with the labour market reality.

Question 3 – Would you advocate the creation of a common EU corporate tax base?

By expressing a favourable view (62%) towards this question, entrepreneurs acknowledged the need to simplify company tax rules in Europe, which today result in high costs and represent an obstacle to cross-border trade and investment. However, a significant percentage of participants think that a Common Consolidated Corporate Tax Base (CCCTB) would threaten competition on tax rates.

EUROCHAMBRES and its network of Chambers of Commerce will now convey the messages of the European Parliament of Enterprises to the French Presidency, and in other relevant political fora, to make sure that businesses' concerns are duly taken into account in future policy-making.

Further information: Mr Arnaldo Abruzzini, Tel. +32 2 282 08 50, abruzzo@eurochambres.eu
Press contact: Ms Guendalina Cominotti, Tel. +32 2 282 08 66, cominotti@eurochambres.eu
All our press releases can be downloaded from www.eurochambres.eu/content/default.asp?PageID=153