

COUNCIL DECISION

of 28 July 1989

on the improvement of the business environment and the promotion of the development of enterprises, and in particular small and medium-sized enterprises, in the Community

(89/490/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas on 3 November 1986 the Council adopted a resolution concerning the action programme for small and medium-sized enterprises ⁽⁴⁾ and on 30 June 1988 a resolution on the improvement of the business environment and action to promote the development of enterprises, especially small and medium-sized enterprises, in the Community ⁽⁵⁾;

Whereas the Commission has submitted to the Council a communication on a enterprise policy for the Community; whereas the Community has already developed certain initiatives in this field;

Whereas this Decision applies, *inter alia*, to all forms of small and medium-sized enterprises, for example craft, cooperative and mutual enterprises;

Whereas the development of a European enterprise policy based upon the principle of effective competition is of great importance in increasing the competitiveness of the European economy, for employment growth and for economic and social cohesion in the Community;

Whereas it is necessary to strengthen this policy in the light of the completion of the internal market and the other means of action contained in the Single European Act and the Commission's White Paper of June 1986;

Whereas the opportunities for small and medium-sized enterprises (SMEs) under the Structural Funds, in the

Community's research and development programmes and in other Community programmes should be increased;

Whereas measures at Community level should not duplicate those at the level of the Member States; whereas they should as far as possible make use of existing structures rather than create new ones;

Whereas the Treaty does not provide, for the adoption of this Decision, powers other than those of Article 235,

HAS DECIDED AS FOLLOWS:

Article 1

In order to improve the business environment and encourage the creation and development of enterprises, and in particular small and medium-sized enterprises (SMEs), measures shall be implemented at Community level.

Article 2

The measures referred to in Article 1 shall include:

- removal of undue administrative, financial and legal constraints which check the development and creation of enterprises, and in particular SMEs,
- information and assistance to enterprises, and in particular SMEs, on Community policies, regulations and activities and those of each Member State which concern or are likely to concern them,
- encouragement of cooperation and partnership between enterprises, and in particular SMEs, from different regions of the Community.

Article 3

In order to achieve the objectives and carry out the measures referred to in Articles 1 and 2, the Commission will propose the necessary action to the extent that it cannot be undertaken better at Member State level.

Article 4

1. The Commission shall be assisted by a committee composed of the representatives of the Member States and chaired by the representative of the Commission.

⁽¹⁾ OJ No C 79, 30. 3. 1989, p. 5.

⁽²⁾ OJ No C 158, 26. 6. 1989.

⁽³⁾ OJ No C 159, 26. 6. 1989, p. 38.

⁽⁴⁾ OJ No C 287, 14. 11. 1986, p. 1.

⁽⁵⁾ OJ No C 197, 27. 7. 1988, p. 6.

The representative of the Commission shall submit to the committee a draft of the measures to be taken. The committee shall deliver its opinion on the draft, within a time limit which the chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of Decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the committee shall be weighted in the manner set out in that Article. The chairman shall not vote.

The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the opinion of the committee, they shall be communicated by the Commission to the Council forthwith. In that event the Commission shall defer application of the measures which it has decided for a period of three months from the date of communication.

The Council, acting by a qualified majority, may take a different decision within the time limit referred to in the previous subparagraph.

2. For the implementation of this Decision, the procedure referred to in paragraph 1 shall apply in particular in the following cases:

- the adoption, experimental implementation or extension of any programme devised for application of this Decision,
- the content, timetable and estimated budget for action and calls for proposals,
- the evaluation of proposed projects, including those where no call for proposals is made,
- the periodical evaluation of the results obtained within each programme in accordance with the timetables laid down.

Article 5

The Commission shall ensure close coordination between the various programmes established outside this Decision and the initiatives taken in application of this Decision, in so far as the interest of SMEs and craft industries is manifest: Sprint, Comett, Structural Funds in particular. A report on this coordination shall be made to the committee.

Article 6

Each year the Commission shall submit an evaluation report on the implementation of this Decision to the European Parliament, the Council and the Economic and Social Committee.

Article 7

For the period 1990 to 1993, the initial amount deemed necessary is estimated at ECU 110 million. A further estimated amount, of ECU 25 million, may be deemed necessary for expenditure in the same period should the Council so decide following a review of the programme. This Council decision will then be taken on the same basis as this Decision. The principal activities to be financed are listed in the Annex.

Article 8

This Decision shall be published in the *Official Journal of the European Communities*.

Done at Brussels, 28 July 1989.

For the Council
The President
M. CHARASSE

ANNEX

ACTIVITIES TO BE FINANCED IN THE PERIOD 1990 TO 1993

1. *Removal of undue administrative, financial and legal constraints*

(assessment of the impact on business of existing and proposed legislation, consultation with Member States on national procedures)

2. *Information and assistance to enterprises:*— *Information:*

Tradition forms of information (publications, seminar, conferences) and development of the Euro-Info-Centres

— *Assistance:*

Management development in SMEs, promotion of access of SMEs to financial markets (including seed capital projects), promotion of access of SMEs to Community programmes and to Structural Funds

3. *Encouragement of business cooperation and partnership:*

Development of the Business Cooperation Network (BC-Net) and of Europartenariat; promotion of transnational subcontracting, pilot and demonstration projects to promote transnational cooperation and promotion of access of SMEs to third-country markets.

4. *Evaluation and policy development:*

(including improvement of statistics on SMEs, studies of the impact of the large common market on SMEs; policy development and preparation of new projects — including special conditions and measures for very small enterprises, e.g. craft industries — evaluation of existing projects)
