



Brussels, Summer 2008

9 Good Reasons for 2009

If business goes well, all are well!

*9 good reasons why entrepreneurs will vote for the European Peoples Party
for the European Parliamentary Elections 2009*

Preamble

Politics don't create jobs, it is the entrepreneurial spirit of the people that do so. Politics create the economic, fiscal and logistic environment in which entrepreneurial initiative can prosper. This is the understanding of the role politics have to play by the European People's Party, the largest political group in the European Parliament. Below you find the nine reasons why European businessmen will vote for the EPP for the 7 June 2009 Parliamentary Elections.

1. Less and better regulation

The European People's Party and its business organization, the SME UNION, strongly fight against bureaucratic burdens for business. The SME UNION Working Group hammered out within a few months valid and concrete measures pushing the Commission, Parliament and Member States to act. See also www.sme-union.org

2. Lower prices and fighting inflation

As the EPP has always been in favor of the opening up of national markets, it strongly believes in the effects of free competition bringing down prizes in various areas like internet access, air travel, postal services, energy markets and telecommunication costs (e.g. roaming costs).

3. More funding on regional level

EPP calls for the provision of grants and subsidies on a regional level. SMEs will contribute more from that system than from individual company grants. Programmes such as JEREMIE which provides the framework for a series of coherent financial actions to improve the financial environment for small businesses and CIP that aims to support the competitiveness of European enterprises provide better access to finance for SMEs and deliver business support services in

the regions. In order to support start-ups, the SME UNION proposes a SME Guarantee Fund that works similar to the SME Guarantee facility of the European Investment Fund (EFI) and provides counter-guarantees to national and regional guarantee institutions offering guarantees to start-up companies.

4. Lower taxes and simpler tax systems through tax competition

The EPP considers tax competition not a race to the bottom, but a means to bring the companies and people of a country on top. It has always called for tax cuts in every field. We firmly consider that the tax systems have to be reformed in such a way as to make it possible for SMEs to build up long-term equity, and not have this swallowed up by overly rigid tax systems, and to have facilitated access to capital for newcomers by doing away with discriminatory tax regimes. We aim for a simplified European tax systems in order to make it more transparent and understandable to taxpayers.

5. Open markets for an open society

The EPP is the party of free market society and considers entrepreneurial freedom a fundamental principle. We therefore campaign not only for further improvements within the European Single Market but also want to ease trade and exports to third markets. Moreover, the EPP and its business organization, the SME UNION, promote the Erasmus program for Entrepreneurs. EPP and SME UNION strongly believe in a more flexible labor market and life-long learning. We must improve work force mobility and reduce all costs, including the costs on labor.

6. Better financing for SMEs

The Models we consider to be most helpful for SMEs are microcredits, venture capital and mezzanine capital market as well as EIB funds available at regional level. One big success of the last year was the increase of the de-minimis-threshold from EUR 100.000 to 200.000 enabling easy, quick and unbureaucratic help for SMEs.

7. Boost entrepreneurial spirit

The EPP believes that the only way of keeping an economy dynamic is to encourage more people to become self employed. We therefore strive for provision introducing entrepreneurial skills in schools and universities and abolition of any obstacles faced by people when starting up a business.

8. Support women entrepreneurs

Including more women in the labor market and supporting them to develop their own businesses by providing them better access to finance and social networks is one of the EPP priorities and dealt with in EPP Women and SME Women working groups.

9. Tackling the energy challenges

High energy prices and the ambitious EU targets on CO₂ reduction, renewable and cleaner energy as well as energy efficiency goals are especially affecting small and medium sized entrepreneurs. Nevertheless, especially for SMEs, immense business opportunities could open up in these new markets. The EPP helps to translate the challenges into opportunities that the transition to a 'low carbon economy' could offer. The SME UNION welcomed and lobbied for environment-related State aids which will support especially small and medium sized companies for their investments. The SME UNION of the EPP urges the EU to set up an intelligent strategy in order to avoid de-industrialization, but to continue with de-carbonization. As regards the emission trading system a good solution would be the setting up of a best practice benchmark model giving no additional burdens to companies which use high technical environmental standards. The SME UNION as business organization of the European People's Party, already established years ago a separate internal Working Group called "SME Energy", which deals exactly with these problems.

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The SME UNION (Small and Medium Entrepreneurs Union) of the EPP (European People's Party) is the business organization of the EPP and network of pro-business Christian-Democrat, Conservative and Center Right politicians and political organizations. As officially recognized EPP Association its main objective is to shape EU policy in a more SME friendly way. www.sme-union.org