

## WELCOME AND PRESENTATION

Dear JEUNE members,  
We are pleased to present you the JEUNE Newsletter N. 1. The Newsletter will inform you on the numerous JEUNE activities and will be sent to you every three months. The publication of this newsletter is an important achievement for our organisation, since this is the first time JEUNE puts together its efforts to produce a publication like this. We hope that all together can contribute to the Newsletter and make it a useful tool for our



cooperation and most importantly for the young entrepreneurs. The Newsletter will inform you of the initiatives and activities of JEUNE. Information on the activities of JEUNE members will also be published on this pages.

So please keep us informed on the dates of your General Assemblies and other interesting events. Therefore we encourage you to send us your ideas! Enjoy the reading!

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## NEWS FROM BRUSSELS

As most of you know, on the JEUNE Administrative Council of last February, Maria Cimaglia was appointed as the new Secretary General of JEUNE, replacing Ludger Fischer. Maria works with Rosa Solanes. Both of them are employed by UEAPME.

Following the will of the JEUNE Administrative Council to relaunch JEUNE's activities, Maria and Rosa elaborated a Working

Plan (WP) in which the scopes and actions to be carried out are stated.

In this line, JEUNE is currently working on enhancing JEUNE members in both the old and the new Member States of the European Union.

JEUNE needs to increase its representativity and increasing the number of member organisations is the best way to do so.

The WP mentions the need of enhancing JEUNE's visibility both in Brussels and in the EU Member States. Some initiatives have taken place in this direction: contacts with representatives of the EU institutions, involvement in the EU project University - industry cooperation, changes on the website, etc.

Please note that the WP was sent to you in April 2006. Should you

## CAPITAL AVAILABLE FOR START-UP: STATE AID

The European Commission recognised in 2005 the insufficient level of risk capital available for innovative young businesses and start-ups. In order to facilitate the rapid start-up of new enterprises, the Commission wants to review the Communication on State Aid and Risk Capital adopted in 2001. This Communication set out the conditions for granting State Aid in the form of risk capital. In this line, the Commission presented a new Action Plan on State Aid, whose main goal is « **less and better targeted aid** ».

At the Economic Affairs Meeting organised by UEAPME on 24th May, Gerhard Huemer (Director of Economic Affairs at

UEAPME) explained that UEAPME has responded to this Action Plan by gathering the comments of its member organisations in a position paper. European SME organisations believe that:

- the Action Plan on State Aid is not very positive for the interests of innovative SMEs;
- SMEs should receive a part of State Aid since SMEs cannot allow State Aid to be just given to big companies;
- SMEs need not just State Aid in the form of risk capital but also debt financing instruments like loans;
- State Aid should be « cumulated » (combined) with other types of aid, so SMEs would be able to receive

both. The current proposal does not allow this combination of different aid.

In spite of this drawbacks, SMEs welcome the increase of the threshold for aid under the « de minimis » regulation from 100.000 Euro over a three-year period to 200.000 Euro over a three-year period. SME organisations will continue to express their concerns on the State Aid Action Plan to the European Commission in order to achieve an improved regulation that takes into account their demands.

*Should you like to receive further information on this issue, please do not hesitate to let Maria or Rosa know.*

*The Members of the Administrative Council of JEUNE want to thank Ludger Fischer for all his valuable work during the past three years*



*as Secretary General. Ludger continues to be linked to our association since he is the responsible for the LIPS project.*

*Thanks Ludger!*

## BUSINESS TRANSFER

Since several years the European Commission deals with the transfer of enterprises. In 1994 it published a first Communication suggesting the need to create a framework for the enterprise, and a Recommendation asking Member States to facilitate the transfer process. In 1998 a second communication was published asking member states to simplify the law and the administrative procedures, foreseeing concrete fiscal reductions and easy access to finance. In 2000 a working group was created, composed by national experts. It concluded that barriers to business transfer still exist. They are mainly administrative burdens, but also the hu-

man factor. Very often enterprises are sold as the owners do not have enough guarantees for their pension. The selling price is their pension. But they do not prepare for the transfer on time. Moreover in family businesses there is often no suitable successor, as children do not want to take over the enterprise, but the idea of transferring the business to a "stranger" is not well accepted.

**To ameliorate the success chances of the business transfer** it would be necessary to train the successors, particularly on the financial aspect. Banks want guarantees that young entrepreneurs do not have, which bring to a rapid fail-

ure. But with coaching the success rate might be ameliorated. UEAPME has called on the Member States to create the necessary fiscal facilities. These facilities should not only be limited to the transfer to a member of the family but also to any new owner of the firm. A new Communication on the matter has been published in march 2006. The European Parliament asked the Commission to launch a pilot programme to study whether using a coach or a mentor enterprise transfer can have better results. A report will be presented during the Summer. A tender for the study will be launched and a conference will be held end of 2007.

## STRUCTURAL FUNDS: NEW PROGRAMMING PERIOD (2007-2013): CONCRETE OPPORTUNITIES FOR SMES

The new Structural Funds will enter into force the 1st of January 2007.

The European institutions are currently preparing the new programming of the Structural Funds that will cover the period 2007-2013. Once the decision-making process is completed the Council will adopt the strategic guidelines.

The Commission has identified three priorities envisaged in the following guidelines:

**Guideline I:** actions aimed at making Europe an **attractive place to invest and work**: improving infrastructures; addressing Europe's intensive use of traditional energy sources and support-

ing renewable and alternative technologies.

**Guideline II:** actions conceived to promote knowledge and **innovation for growth**: increasing and improving investment in RTD; facilitating innovation and promoting entrepreneurship; developing an information society for all; facilitating access to finance.

**Guideline III:** actions intended to create **more and better jobs**: attracting and retaining more people in employment and modernising social protection systems; improving the adaptability of workers and enterprises and the flexibility of the labour market; increasing investment in human capital through better education and skills;

According to these priorities, the Commission would like to strengthen the role of private associations, such as professional associations. A good use of the Structural Funds would be a fruitful opportunity for SMEs to achieve their needs, a way to create opportunities for growth and to be more competitive in the worldwide market.

### EXAMPLES OF ACTIONS WHICH COULD BE TAKEN BY SMES ASSOCIATIONS

You can find some concrete examples on how to use Structural Funds.

**1) The Structural Funds, throughout the European Social Fund (ESF), can finance actions linked to basic and lifelong learning domains such as:**

- setting up basic and lifelong learning (courses);
- a life long learning system for courses addressed to employees and employers in the management, trade and innovation sectors;
- for the Regions belonging to the convergence objective

only, **the ESF could** finance infrastructure for learning courses (for example co financing of the place where the courses take place); purchase of pedagogic equipment and of new technologies tools;

**2) The ERDF can support measures conceived to assist enterprises in sectors such as:** design, trade, internationalisation  
-support to develop the innovation technology and non :  
-help to build up new technologies;  
-help in the innovation matters;

-set up and distribution of new products;  
-explore new markets  
Throughout both the ERDF and JEREMIE initiatives some actions linked to loans (microcredits, mutual guarantee, capital risk) could be set up at regional level, in order to facilitate the creation of enterprises through the support of innovation technological measures.  
This is the right moment for SME national associations to work with the respective governments on the design of the activities to be included into the operative National strate-

gic programme. The SME associations' involvement is vital in order to develop concrete SME-oriented projects. For further information UEAPME invites you to ask your National SMEs association for details.

You can also contact the entities in your region dealing with Cohesion and Structural Funds Policy.

For further information about Regional Policy at European level, please visit this website:

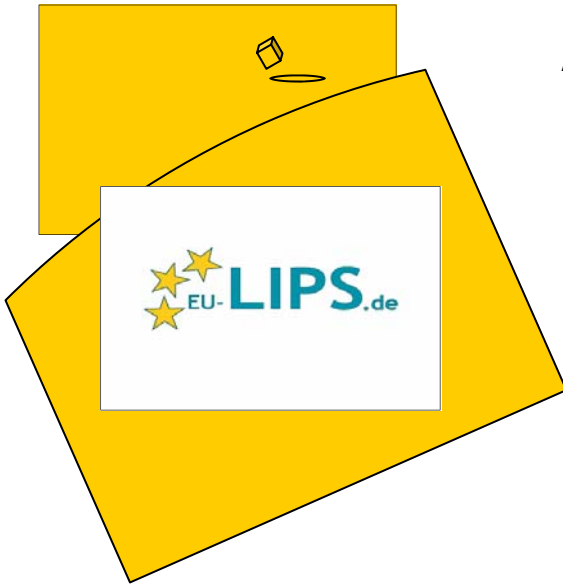
[http://ec.europa.eu/comm/regional\\_policy/index\\_fr.htm](http://ec.europa.eu/comm/regional_policy/index_fr.htm)

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The new  
Structural  
Funds to  
be applied  
as of 2007  
offer a  
wide range  
of  
opportunities for  
SMEs.

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## ANNUAL JEUNE 's GENERAL ASSEMBLY

The 2006 General Assembly of JEUNE will take place in Brussels on July 3rd at the **UEAPME building of Rue Jacques de Lalaing**.

Different issues of relevance to our association will be discussed. Among them,

- JEUNE's involvement in EU projects (such as the LIPS project) and the meetings attended by JEUNE representatives.
- Adoption of new Membership fees
- Adoption of Budget and Accounts
- Annual report of JEUNE activities, etc.

These last months, JEUNE has had contacts with representatives of Young Entrepreneurs Associations in the new EU Member States. They will be invited to attend our General Assembly in Brussels.

The agenda of the meeting will be sent to you during June.

Please book this day on your agendas. This is the only time of the year we all gather so your presence is very valuable.

We hope to see you all on the 3rd July!

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## JEUNE ACTIVITIES

### May

*19th-20th May:* Young Entrepreneur European Forum, Gijón (Spain) attended by Eduardo Royo and Elena Pellaschiar.

*24th May:* UEAPME Ecofis Committee, Brussels (Belgium) attended by Rosa Solanes

### June

*5th June:* University -Enterprise Cooperation Meeting in Brasov, (Romania). Attended by Elena Pellaschiar.

*Date to be confirmed:* Meeting with the governing board of Jong MKB Nederland.

### July

*3rd July:* JEUNE's General Assembly, Brussels

*4th July:* RTD UEAPME Committee (discussion on the 7th Framework Programme for Research and Development) attended by Rosa Solanes

*7th July:* UEAPME Administrative Council, Rome. Attended by Elena Pellaschiar.

Please send us the dates of the main events of your organizations. We will publish the dates on this section.

JEUNE activities for the 2nd half of 2006 will be published on the issue n. 2 of our Newsletter.

The new JEUNE website  
address:

<http://www.jeune-pme.eu>