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- contributing to the carrying-out of impact assessment studies of the Commission,
  - operating other appropriate means to engage SMEs in the European policy-making process,
  - assisting SMEs to develop cross-border activities and international networks,
  - supporting SMEs to find relevant partners from the private or public sectors through appropriate tools.
- (b) Services for innovation and for the transfer of both technology and knowledge
- disseminating information and raising awareness regarding innovation-related policies, legislation, and support programmes,
  - engaging in the dissemination and exploitation of research results,
  - providing brokerage services for technology and knowledge transfer, and for partnership building between all kinds of innovation actors,
  - stimulating the capacity of firms, especially SMEs to innovate,
  - facilitating linkage to other innovation services including intellectual property-related services.
- (c) Services encouraging the participation of SMEs in the seventh Framework RTD Programme
- raising awareness among SMEs regarding the seventh Framework RTD Programme,
  - helping SMEs to identify their research and technological development needs and to find relevant partners,
  - assisting SMEs in the preparation and coordination of project proposals for participation in the seventh Framework RTD Programme.
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**P6\_TA(2006)0231****SMEs in developing countries****European Parliament resolution on small and medium-sized enterprises in the developing countries (2005/2207(INI))***The European Parliament,*

- having regard to Annex II to the Cotonou Partnership Agreement <sup>(1)</sup>,
- having regard to the Communication of 22 March 2006 from the Commission to the European Parliament, the Council and the European Economic and Social Committee entitled 'Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility' (COM(2006)0136),
- having regard to its resolution of 17 November 2005 on the proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Union Development Policy 'The European Consensus' <sup>(2)</sup>,
- having regard to the Joint Statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on European Union Development Policy: 'The European Consensus' <sup>(3)</sup>,
- having regard to its resolution of 17 November 2005 on a development strategy for Africa <sup>(4)</sup>,

<sup>(1)</sup> Partnership Agreement between the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000, OJ L 65, 8.3.2003, p 27.

<sup>(2)</sup> Texts Adopted, P6\_TA(2005)0446.

<sup>(3)</sup> OJ C 46, 24.2.2006, p. 1.

<sup>(4)</sup> Texts Adopted, P6\_TA(2005)0445.

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- having regard to the Communication of 12 October 2005 from the Commission to the Council, the European Parliament and the European Economic and Social Committee entitled 'EU Strategy for Africa: Towards a Euro-African pact to accelerate Africa's development' (COM(2005)0489),
  - having regard to its resolution of 12 April 2005 on the role of the European Union in the achievement of the Millennium Development Goals (MDGs) <sup>(1)</sup>,
  - having regard to the Commission Staff Working Document of 29 October 2004 entitled 'EC Report on the Millennium Development Goals 2000-2004' (SEC(2004)1379),
  - having regard to Rule 45 of its Rules of Procedure,
  - having regard to the report of the Committee on Development (A6-0151/2006),
- A. whereas European policies on small and medium-sized enterprises (SMEs) should not be transposed automatically to developing countries,
  - B. whereas there is no generally accepted definition for SMEs in developing countries,
  - C. whereas the SME sector comprises a heterogeneous group of firms operating under a range of market conditions in developing countries,
  - D. whereas SMEs are job creators and civil society builders,
  - E. whereas SMEs are a means of achieving both social and economic development through poverty reduction,
  - F. whereas cross-border activities are widespread in most developing regions, therefore needing special attention when policies and programmes are set up,
  - G. whereas a regional approach to SME development, involving governments, regional and local authorities and civil society organisations from two or more States, may be the solution for SME development in many regions of the developing world,
  - H. whereas special attention should be given to the role of SMEs in the economy of small island States,
  - I. whereas special attention should be given to the role of SMEs in post-conflict countries as a means of effectively reintegrating former combatants into society,
  - J. whereas State authorities should strive to keep 'red tape' to a minimum, so as to avoid creating barriers to the development of SMEs,
  - K. whereas registration should not be a barrier to small firm start-ups or to the upgrading of micro to small enterprises,
  - L. whereas creating local and regional networks can bring substantial gains to small businesses,
  - M. whereas disseminating best practices on the design, implementation and evaluation of initiatives to promote SME growth and local economic and employment development is needed,
  - N. whereas players on the ground, their associations and other forms of organisation, must play a fundamental role in the setting up and implementation of any SME policy,

<sup>(1)</sup> OJ C 33 E, 9.2.2006, p. 311.

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- O. whereas regional and cultural differences should be taken into account when designing policies and programmes for SMEs,
- P. whereas most micro-economy undertakings are family based, therefore needing special attention when designing any SME policy,
- Q. whereas women are important economic players in micro and small enterprise creation and development, and enterprises run by women need to be brought out of isolation,
- R. whereas special attention should be given to enterprise projects started by women, so as to avoid letting historical behaviour and traditions impede the creation and full implementation of micro and SME initiatives,
- S. whereas cooperatives play an important role in sustaining local economies and in structuring and providing cohesion to local communities,
- T. whereas local institutions have an important role to play in the support for SMEs,
- U. whereas an SME creation policy can play a role in reducing the weight of the informal economy,
- V. whereas security for the establishment and operation of SMEs should be assured,
- W. whereas cooperatives are close to traditional associative practices in many rural and urban communities,
- X. whereas the formation of new cooperatives may be a feasible way of changing informal activities into formal ones,
- Y. whereas initiatives to improve the investment climate and business opportunities that help to create employment and wealth for the poor should be supported,
- Z. whereas SMEs need sufficient time and capacity-building to adapt to the gradual opening up of their sectors to world market competition; whereas a critical dimension, through associative processes, should lead to the critical mass necessary to progressively eliminate the protection of the initial phase,
- AA. whereas the promotion in SMEs of the corporate social responsibility concept, through which social and environmental concerns are introduced in business operations, should be progressively envisaged,
- AB. whereas special attention should be given to the socio-economic environment of SMEs, for instance in human resources education and training, communication and information infrastructures, access to raw materials and markets,
- AC. whereas building partnerships and information systems that provide access to knowledge for development is of the utmost importance,
- AD. whereas SMEs have an important role to play in the development of sustainable tourism initiatives in developing countries,
- AE. whereas unstructured financial systems are particularly detrimental to the growth of micro and small enterprises,
- AF. whereas the main sources of finance available to SMEs are informal loans from informal associations, family and friends, small savings and retained earnings and remittances,

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- AG. whereas provision of seed capital may be instrumental in the creation and development of SMEs,
- AH. whereas access to credit, especially medium and long term credit, and the strengthening of financial intermediaries, is important for SME development,
- AI. whereas experience has shown that women are the best micro-credit users in developing countries, thus allowing them to play a role in local economy sustainability,
- AJ. whereas the African, Caribbean and Pacific Group of States (ACP) and other developing countries, including national and regional institutions, have a role to play in managing funds that promote the development of SMEs,
- AK. whereas a pro-active finance and fiscal policy should exist for SMEs; whereas special credit lines or tax incentives should be part of such policies,
1. Considers it necessary to harmonise all existing definitions of SMEs, including micro-enterprises, at least on a regional basis; considers further that the number of employees is the best criterion for defining an SME;
  2. Recommends that in a region where developing countries constitute a majority, an enterprise should be considered micro when it employs up to 5 persons; a small enterprise between 6 and 25 persons; and a medium-sized enterprise between 26 and 100 persons;
  3. Supports policies aimed at reducing barriers to enterprise creation, registration and start-up; calls on national governments in developing countries to evaluate the impact on SMEs of current and future economic legislation;
  4. Recommends special support for the creation of networks of enterprises at local and regional levels;
  5. Emphasises the fact that network creation is facilitated by associations providing pools of services such as legal advice, accountancy, training and education and use of information technologies;
  6. Considers that in small towns and villages these pools could, if necessary, be initiated by public funding, with ultimate private ownership being a recommended option;
  7. Requests specially designed policies, programmes and projects aimed at SMEs, including micro enterprises that are traditionally active in cross-border trade;
  8. Stresses the importance of government involvement in those cross-border oriented policies, thus fostering inter-State confidence, harmonisation of laws and practices, and regional development;
  9. Recalls that SMEs, including micro enterprises, are mostly family-based undertakings, originating in an environment where cultures and traditions still play a fundamental role, thus needing a careful and sensible policy approach, when new laws or forms of organisation are being prepared for implementation;
  10. Calls upon the participation of all players on the ground, either directly or through their apex organisations, to participate at all levels in the setting up and implementation of all policies regarding SMEs;
  11. Recognises the paramount role played by women in all development-related areas, a role too often forgotten by decision-makers, and demands that special attention be paid to enterprise projects started by women;

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12. Recognises the role which local institutions have to play in the support of SMEs, including micro enterprises; considers that local institutions can initiate the implementation of pools of common services for micro enterprises and SMEs, with the State financing the start-up phase;
13. Recognises the role of SMEs as job creators and stresses the importance of transforming most of these jobs from unskilled to skilled, from seasonal to full-time, from temporary to permanent, by means of proactive national policies and programmes;
14. Stresses the role which cooperatives can play in sustaining local economies and in structuring and providing cohesion to local communities;
15. Asks for national policies helping to reduce the weight of the informal economy in developing countries; further asks for the promotion of initiatives helping to improve the investment climate and thus to create business opportunities;
16. Considers cooperatives to be a vehicle to formalise informal activities, as they are closer than other forms of legal organisation to traditional associative practices in many rural and urban communities;
17. Consider cooperatives to be the best environment to ensure that SMEs within the formal sector do not slip back into the informal sector;
18. Recognises that SMEs need sufficient time and capacity-building to adapt to the gradual opening up of their sectors to world market competition; further recognises that a critical dimension, through associative processes, should lead to the critical mass necessary to progressively eliminate the protection of the initial phase;
19. Calls for the progressive introduction of the concept of corporate social responsibility in SMEs from developing countries and therefore asks the Commission to use all relevant conferences and bilateral discussions with countries which are signatories to the Cotonou Partnership Agreement to foster that introduction and awareness;
20. Recognises that creating a sound socio-economic environment for SMEs is only possible if policies for them include actions in the fields of human resources education and training, of communication and information infrastructure provision, and of easy access to raw materials and to local and regional markets;
21. Calls for the building of SME partnerships for the exchange of up-to-date information and knowledge;
22. Recognises the role SMEs can play in the development of most sectoral policies;
23. Calls for the implementation of sound, pro-SME financial systems;
24. Stresses the need to avoid traditional practices of informal credit and loans in many areas, by promoting specially designed financial products and microfinance;
25. Recommends that seed capital should be provided for the creation and development of SMEs;
26. Recommends policies facilitating access to credit, especially medium and long-term credit, and the strengthening of the intermediaries active in SME financing;
27. Calls for special attention to be paid to women oriented micro-credit ventures, especially in areas where women are not fully empowered;
28. Proposes international support and financing for regional institutions active in the financial sector of developing countries, thus introducing a multi-national common approach to activities carried out by SMEs;

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29. Calls for tax incentives to be given to SMEs, especially in their start-up phase;
30. Calls for regulatory reforms aimed at speeding up and simplifying registration procedures as well as lowering minimum capital requirements;
31. Calls for the reform of court procedures to settle business disputes faster as well as to enforce contracts and defend property rights more effectively;
32. Instructs its President to forward this resolution to the Council, the Commission, the governments of the EU Member States and ACP, the ACP-EU Council and the ACP-EU Joint Parliamentary Assembly.

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P6\_TA(2006)0232

## Medicinal products for paediatric use \*\*\*II

**European Parliament legislative resolution on the Council common position for adopting a regulation of the European Parliament and of the Council on medicinal products for paediatric use and amending Regulation (EEC) No 1768/92, Directive 2001/20/EC, Directive 2001/83/EC and Regulation (EC) No 726/2004 (15763/3/2005 — C6-0087/2006 — 2004/0217(COD))**

(Codecision procedure: second reading)

*The European Parliament,*

- having regard to the Council common position (15763/3/2005 — C6-0087/2006),
  - having regard to its position at first reading<sup>(1)</sup> on the Commission proposal to Parliament and the Council (COM(2004)0599)<sup>(2)</sup>,
  - having regard to the amended Commission proposal (COM(2005)0577)<sup>(2)</sup>,
  - having regard to Article 251(2) of the EC Treaty,
  - having regard to Rule 62 of its Rules of Procedure,
  - having regard to the recommendation for second reading of the Committee on the Environment, Public Health and Food Safety (A6-0171/2006),
  - having regard to the Commission statement which is annexed to this legislative resolution and which will be published together with the legislative act in the Official Journal,
1. Approves the common position as amended;

2. Instructs its President to forward its position to the Council and Commission.

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<sup>(1)</sup> Texts adopted, 7.9.2005, P6\_TA(2005)0331.

<sup>(2)</sup> Not yet published in OJ.