

Enterprise

The legal basis of the Enterprise policy is Article 157 of the Treaty establishing the European Community. Enterprise policy aims to ensure all businesses compete and trade on fair and equal terms and that Europe is an attractive place to invest and work. It nevertheless takes into account the importance of Europe having a sound industrial fabric across the EU. This can mean taking specific needs and characteristics of individual sectors into account, such as the car or textile industries, and ensuring that strategically important industries can flourish. These are industries such as the life sciences, aerospace

Managing change

The EU does not take a protectionist or inward-looking approach to meeting these challenges. The basic premise is that sheltering industry from change would only postpone the inevitable and make it costlier and more painful in the long run. What the EU does is to try to anticipate structural change and create a climate which makes the adjustment as painless as realistically possible for both employer and employee.

Enterprise policy therefore emphasises the need to integrate policies as diverse as trade, research, the internal market, employment and training, the information society, regional development and taxation – without overlooking the importance of the environment, so that they boost the use of knowledge and innovation across EU industry as a whole. The EU concentrates on removing obstacles to competition across the board, preventing new ones going up, and limiting, improving and simplifying regulation. In addition, individual member states are not allowed to put new obstacles in the way of business from other member states.

SMEs are the backbone of EU enterprise

The EU's 25 million small and medium-sized businesses (SMEs) are already the backbone of EU enterprise. The EU has specific programmes which make it easier for SMEs to participate in EU-funded research and innovation projects. In addition, the rules on state aid and other forms of funding are more generous for SMEs than for large firms.

Sustainability is crucial

Sustainable growth is not just a matter for EU policymakers. Each enterprise is responsible for having socially and environmentally responsible policies, and the European Commission backs initiatives to increase Corporate Social Responsibility (CSR).