

INSULEUR VOICE

THE NEWSLETTER OF THE EUROPEAN ISLAND CHAMBERS OF COMMERCE OF THE EUROPEAN UNION

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2009 has started with a new economical situation. The financial crisis has extended to the real economy and affects countries and companies in all the world. The Chambers of Commerce, as institutions that represent the interests of companies in their regions, are conscious of their role trying to make their economies more dynamic and trying to find solutions to the companies from their area. But, **2009** is also the European Year of Creativity and Innovation, let's have a look at some of the initiatives that have been developed to make the EU countries aware of the need of investing in innovation and promoting creativity.

Proposals to fight the crisis

VIII Forum INSULEUR – Réunion 2008



During the last INSULEUR Forum, the group of Chamber of Commerce that met in La Réunion (October 29th to November 1st 2008), shared their worries concerning the economic crisis and set several proposals to try to reduce the effects of this situation.

1- To facilitate the access to financing to the *Small and Medium-sized Enterprises (SMEs)* and to encourage the participation with capital at the SMEs, as wanted by the governments; a part from the incentives for investment given to the banks must be destined exclusively to the support of the small and medium-sized enterprises.

2- To simplify the procedures of financing and to guarantee the deposits of the SMEs in conformity with the guarantees offered to the natural persons.

3- To recommend to the European banks to reduce the interest rates and to allow to the companies to execute the first refund after 24 months.

4- Particularly for the SMEs from the islands, that are much more fragile and sensible to the disorders caused by the financial crisis, we propose a group of more concrete measures, namely:

A. To soften the application of the community frame with regard to public helps or subventions in the interest of regional SMEs;

B. The reduction of the VAT and the special consumption taxes;

C. The subsidy of transport;

D. Structural measures, as the support of the infrastructures with regard to the transport, the energy and the access to the different networks (transport, services, energy), to reinforce the cohesion among insular and continental regions.





2009: European year of Creativity and Innovation

“Creativity and innovation contribute to economic prosperity as well as to social and individual well-being”

The European Year of Creativity and Innovation aims to raise awareness of the importance of creativity and innovation for personal, social and economic development; to disseminate good practices; to stimulate education and research, and to promote policy debate on related issues.

Key message: Creativity is a driver for innovation and a key factor for the development of personal, occupational, entrepreneurial and social competences and the well-being of all individuals in society.

Target groups: The activities of the European Year of Creativity and Innovation 2009 are aimed at a range of different groups including young people, educators, firms and policy makers, as well as the general public. Civil society organisations are encouraged to mobilise and get involved at European, national and local levels.

Main actors:

- At EU level, the European Commission's Directorate-General for Education and Culture is the responsible body for the implementation of EYCI 2009, in association with the Directorate-General for Enterprise and Industry. The European Parliament, the Committee of the Regions as well as the Economic and Social Committee also contribute to the campaign through the implementation of various relevant activities.
- In each EU Member State, a national coordinator, usually a representative of the Ministry of Education, is responsible for the coordination of the implementation of the Year at a national level.

For more information, please visit: <http://www.create2009.europa.eu>



Forum on 'Europe's Creative Regions and Cities'

20 - 21 April 2009, Brussels

In the context of the **European Year of Creativity and Innovation 2009**, the Committee of the Regions (CoR) and the European Commission are jointly organising a two-day forum, on 20 and 21 April 2009. The Forum will showcase the creativity of Europe's regions and cities and demonstrate the importance of creativity and innovation for **economic development**.



"It is in Europe's vibrant regions and cities where you will find creative and innovative talents flourishing, The 2009 European Year of Creativity and Innovation is the chance for the Committee of the Regions and its members to showcase innovative European projects and to welcome young creative minds from regions and cities. We need to fuel our creativity and foster a spirit of individual enterprise within the EU." **Luc Van den Brande** - President of the Committee of the Regions

On 20 and 21 April 2009, the CoR will host in its premises a **Forum on 'Europe's Creative Regions and Cities' involving** creative talents as well as regional and local authorities from all over Europe. The Forum will focus on showcasing best innovative or creative regional or local practice.

100 'young creative talents' as well as regions and cities are invited to contribute to the Forum by presenting ideas, policies, programmes and projects stimulating creativity and innovation with the objective to **offer a platform for exchange and networking**.

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And visit: <http://www.cor.europa.eu>

Green Paper on Territorial Cohesion: Turning territorial diversity into strength

It is with great interest that the Insuleur Network has received the **Green Paper on Territorial Cohesion**, published in October 2008. This document opens a debate on territorial cohesion, and its consequences on territorial policies. The goal of this debate is to come to a better and shared understanding of territorial cohesion and its implications for policy.

"This Green Paper argues that the territorial diversity of the EU is a vital asset that can contribute to the sustainable development of the EU as whole. To turn this diversity into strength, we have to address territorial cohesion through focus on new themes, new sets of relationships binding EU territories at different levels and new forms of cooperation, coordination and partnerships", explains Hanuta Hübner, Commissioner for Regional Policy.

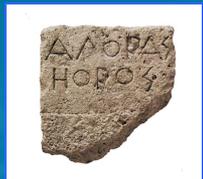
The Insuleur Network is one of the institutions that has contribute to the consultations by the European Commission. Insuleur's main purpose is to remember basic ideas such as "territorial cohesion definition". In this way, Insuleur reminds that territorial cohesion can not be define exclusively through regional policy but as common objective in all the european policies.

You can find the complete document in:

http://ec.europa.eu/regional_policy/consultation/terco/paper_terco_en.pdf

You can find Insuleur's Contributions to the consultation in:

http://ec.europa.eu/regional_policy/consultation/terco/pdf/4_organisation/45_insuleur.pdf



A look into an insular Chamber: Professional Chamber of Piraeus, Greece

Professional Chamber of Piraeus (PCP) is a public entity established in 1925, supervised by the Greek Ministry of Development. It currently represents about 30.000 mainly micro and small enterprises which cluster into the services and trade sectors. The Chamber constituency comprises the wider area of Piraeus and many islands, namely Salamina, Agkistri, Aigina, Poros, Spetses, Ydra, Kythira, Antikythira.

It is within the Chamber competence to assist the creation of new businesses, principally in 3 fields: business register, start – up campaign, and, soon, one stop shop. Development of entrepreneurship is one of the widest area of work by the Professional Chamber of Piraeus, crossing over many functions, from providing information on access to finance, taxation and insurance policies, offering support networks, to lobbying for better regulation.

Support to enterprises is also exerted through seminars, conferences, press releases, newsletters, the Chamber magazine and website, direct contact of the Chamber Administrative Council with politicians and administrations, dispute resolution services, representation in several local, regional and national committees, and participation in the Union of Hellenic Chambers, the National Chamber Network of Women Entrepreneurs, International Chamber of Commerce (I.C.C.) Greece, the Chambers Group for the Development of Greek Isles, Insuleur, Eurochambres, and the Piraeus Chambers Development Company.

With regard to the islands of the E.U. and the Aegean Sea, for the present year,

1. Professional Chamber of Piraeus will be hosting -together with the Piraeus Chamber of Commerce and Industry - the next "Turkish Aegean Coasts – Greek Aegean Islands Economic Summit", in April 2009.

2. Last and most important, following a joint proposal of the Professional Chamber of Piraeus and the Piraeus Chamber of Commerce and Industry Presidents, **the 9th Insuleur Forum will be held in Piraeus, in early October 2009.**



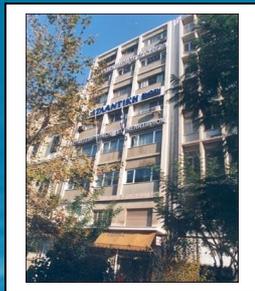
Interview to Mr Georgios Benetos, President of the Professional Chamber of Piraeus

InsuleurVoice :What are your expectations for the Forum 2009 ?

Mr Benetos : First of all, we will be particularly delighted and honored to welcome you in Piraeus in view of such an important event. We strongly believe that we will have the chance to record the general and more specific problems pertaining to the island regions of the European Union, and to submit the appropriate propositions to the community and national authorities.

Insuleurvoice : What is the Chamber of Commerce from Piree doing to face the crisis ?

Mr Benetos: To enhance entrepreneurship, PCP has cut down to half the membership fee of all enterprises registered with it from the year 2009 and on for two years and constantly intercedes with the national authorities in favor of the business community (request for more entrepreneurial projects, reduction/prolongation of tax/fiscal payments, personalized counseling etc.).



Insuleurvoice: What kind of projects is developing your Chamber that could interest to the Insuleur Network and the companies in other islands ?

Mr Benetos: PCP established, together with the other 2 Piraeus Chambers, a non-profit development company with an economic purpose, the "Piraeus Chambers Development Company", in 2002. The latter has developed an E- Commerce Application Service Provider (ASP) with potential beneficiaries the members of all 3 Chambers. The ASP project is being realized at the moment with the following expected results in favor of our business community: free access to the internet, web – hosting, creation of e-shops, participation in e-auctions, access to e- learning, promotion and dissemination of information on legal / tax issues and on access to finance, e-payment of the Chamber fee through the creation of e-Chamber portals etc.

European projects and initiatives

1. Results of the first European inquiry among citizens about their holiday plans 2009

Over 27,000 randomly selected citizens aged 15 and over, were interviewed in February 2009 in the 27 EU Member States. For the first time the Commission has done such an extensive survey, which offers to all tourism stakeholders a wealth of information, presented analytically by country and demographic categories. At least 50% of EU citizens travel each year, in the majority of the EU countries this percentage is even higher, and nearly three-quarters of citizens take at least one trip per annum.

The most important findings are:

- **Discovering the home country is the trend:** In 2009, 48 % of Europeans intend to spend their holidays in their own country, while in 2008 only 43 % did so.
- **Most can finance holidays:** About 4 in 10 citizens who are planning to take a holiday in 2009 felt they will have sufficient funds (41 %), while almost as many (40 %) said that they would need to prioritize in their expenditures, but could still afford to go. 1 in 10 (11 %) said, they have serious financial problems that could have an impact on their holiday plans.
- **Insist on quality:** 33% of Europeans are geared towards quality and prefer value for money over "low price" (16 %).
- **And will go on holidays:** Only 19% were almost certain that they will not travel in 2009, which is significantly below the proportion of non-travellers in 2008 (32 %).
- **Perhaps last minute?** 28 % of EU citizens are still undecided about their type of vacation (both duration and destination).
- **Individually!** The number of persons who organise their main holiday themselves in 2009 increases to 56% where internet is an often used method.
- **But we like what we know...** Europeans prefer to spend their holidays in traditional tourist destinations (54 %), while 28 % would rather go "off the beaten track" to emerging destinations.
- **Which are** Spain, Italy, France and Greece. Spain, which was chosen by 14%, was already most popular in 2008 and dominates also the current plans made for 2009. It is closely followed by Italy (11.9%) and France (11.1%)

- **Why?** 31 % of the EU citizens indicate that local attractiveness is the major reason when choosing holiday destinations, followed by cultural heritage (24 %) and entertainment possibilities (15 %).
- **However, the weather also seems to play a role** since half of the EU citizens take holidays in July and August, and 42% indicate that they would first give up winter holidays if their finances were not sufficient to meet their total holiday plans. 23% said they would save money by travelling during the low season.

The results of this survey as well as further research carried out by the European Travel Commission and the UNWTO in third-country markets will be used to feed-in a study on the competitiveness of the European tourism industry. In autumn the Commission will present its assessment of the situation to all tourism stakeholders.

More information:

The full report on the Eurobarometer survey is published at:

http://ec.europa.eu/enterprise/tourism/index_en.htm

2. EIB's EUR 30 billion boost for SMEs

The European Investment Bank (EIB) is offering unprecedented support to SMEs in a bid to help them cope with the current financial crisis. At its annual media conference in March, the EIB revealed that in 2008 it committed more than EUR 10 billion in loans, guarantees and venture capital specifically to bolster Europe's SMEs.

The funding is part of a package of support that will see the Bank provide about EUR 30 billion of loans to SMEs by 2011. Half of this funding must be committed in 2008 and 2009, and the bank is well on the way to meeting its targets.

In 2008 it provided EUR 8.1 billion in credit lines for SMEs via 75 commercial banks in 16 countries. The whole of the EU will be covered by this support mechanism by the end of this year. Up to now, about 21 000 small businesses have benefited. In fact, the Bank's 2008 loan advances for SMEs represents a 42% increase compared to 2007.

The European Investment Fund (EIF) is also being deployed to help SMEs and start-ups. In 2008, the Fund granted loan guarantees worth EUR 2 billion and invested EUR 409 million in venture capital funds. For 2009, the EIB intends to offer other, more sophisticated financial products which will encourage commercial banks to lend to their SME customers.

Measures being developed include:

- Loans where the EIB guarantees part of the risk on a portfolio of loans made by banks;
- Loans where the EIB bears risk on the beneficiary SMEs directly, in partnership with intermediary banks; and
- 'Mezzanine' products for SMEs, where the EIF provides loans which may be converted into equity.

The EIB and the European Commission have also established a micro-credit facility for very small businesses called JASMINE.

For more information, please visit:

<http://www.eib.org/about/events/annual-press-conference-2009.htm>



3. Report on cross-border e-commerce in the EU

A new report on "Barriers to E-commerce" shows that online shopping is increasingly popular in the EU, but warns that barriers to cross border trade are holding back its development. The report presents a detailed analysis of current trends in e-commerce across the EU – including per country, most purchased items and obstacles for consumers and business online.

http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=2685&tpa_id=201&lang=en

4. Accounting systems for small enterprises - Recommendations and good practices

The importance of internal and external accounting as a source of information for owners and managers of small enterprises and their different stakeholders is steadily growing. It is of crucial importance that the accounting systems applied by small enterprises meet their actual needs, providing necessary information yet avoiding unjustified administrative burden.

It is recognised that appropriate accounting information is important for a successful management of a business whether it is large or small. At EU level, accounting legislation is in place for listed companies, i.e. the International Accounting Standards/International Financial Reporting Standards and for non-listed limited liability companies, the Fourth and the Seventh Company Law Directives i.e. the Accounting Directives. However, at EU level there is no accounting legislation applicable to those enterprises which are not listed or are not limited liability companies; in most cases we would be referring to small enterprises. Because of the importance of appropriate accounting information for owners and managers of small enterprises and their different stakeholders, it is considered important to analyse the various accounting systems applied in Member States in the case of non-regulation at EU level.

A group of experts of national administrations from Member States and business organisations analysed various accounting systems applied by sole proprietorships/traders and partnerships with unlimited liability to identify how these accounting systems meet the actual needs of these small enterprises.

The objective of this project was to come forward with views on how to improve the accounting systems of small enterprises so that they can provide the owners, managers and other stakeholders with appropriate financial information. This was achieved through the identification and exchange of views in the area of accounting systems of small enterprises in Member States. The purpose was in no way to add regulation or administrative burdens at EU or national level, which would be contrary to the aim of simplifying the business environment for small enterprises and reducing administrative burdens; therefore proposals to change the accounting legislation at EU level were beyond the scope of this project.

Final Report:

http://ec.europa.eu/enterprise/entrepreneurship/craft/accounting/doc/accounting_systems_report.pdf





14.05.2009 – 1st European SME Week '09: Small business, big ideas

The first European SME Week, taking place from 6 to 14 May 2009, is a campaign to promote entrepreneurship across Europe and to inform entrepreneurs about support available for them at European, national and local level. It allows SMEs to discover an array of information, advice, support and ideas to help them develop their activities.

For more information, please visit:

http://ec.europa.eu/enterprise/policies/entrepreneurship/sme-week/about/index_en.htm

Networks for the competitiveness and sustainability of European tourism. European Commission- DG Enterprise and Industry- Deadline: 30 June 2009

The action aims at supporting networks of destinations at local and regional level so as to create a favourable framework for tourism sustainability, to improve the cooperation on sustainability issues through tourism networks, to increase the level of awareness of enterprises, in particular SMEs, about good practices, and to foster sustainability-driven innovation in the tourism sector.

For more information, please visit:

http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=2929&lang=en

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