

malo gospodarstvo
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Agenda^{MG} 2014

Small business big challenge
3rd Small Business Summit, Tuesday, 17 June 2014,
Chamber of Commerce and Industry of Slovenia (CCIS)

GENERAL AIM of Agenda^{MG} / ^{SB}Agenda (Small Business Agenda)

Benchmark: to increase value added by 3% p.a. and the number of persons employed by 2% p.a.

1. STATE GOVERNED BY THE RULE OF LAW

Transparent and effective control

1. Transparency of inspections. Inspections and controls should be made more transparent by following the example of Lithuania (online inspection checklists).

Impact: Companies take efficient preventive steps to ensure compliance with the rules regulating inspectors' uniform operation and decision-making; less need for inspections, less administration and waste of entrepreneurs' time.

2. Fewer inspection services. Reducing the burden on companies with fewer inspections by decreasing the number of inspection services through amalgamation (currently there are as many as 24).

Impact: Improved coordination of inspection services, uniformity of their powers and procedures, reducing the burden on companies.

3. Fight against shadow economy. Reducing shadow economy by combining flat taxation (for simplicity of procedures, where appropriate) with the introduction of fiscalisation (certified electronic fiscal software with online connection to cash-register) following the principle "Each invoice counts" including prize drawing (each month by various activities), by consistently carrying out common-sense preventive measures by inspection services, increasing the number of inspectors.

Impact: With indirect positive effect this will definitely have a significant effect on the business culture and financial discipline.

Professional institutions will be able to give an assessment of impact.

According to the data which the CCIS has obtained from tax experts, the Government could in real terms collect from EUR 300 to 500 million a year more than up to now from shadow economy.

4. Business chaining. A decisive prosecution of owners of chain companies which are established by the same owners who only leave debts behind. This means that the Tax Administration of the Republic of Slovenia, the National Bureau of Investigation and the police force will have to work hand in hand.

Impact: Significant effect on the business culture and financial discipline.

Direct effect on companies/partners who, owing to such improper business practices, find themselves in the role of "a creditor without any chance of repayment" or even in bankruptcy.

Professional institutions will be able to give a quantitative assessment of impact.

5. Fight against corruption. Consistent implementation of tighter control over corruption in public procurement procedures by law enforcement authorities. The key and necessary preventive action in the fight against corruption also includes a consistent separation between the role of the public contracting authority on the one hand and that of the contractor in the public contract award procedure on the other hand. We propose that a Public Procurement Agency be established.

Impact: Significant effect on the business culture and financial discipline. The establishment of a Public Procurement Agency would have a dual effect leading to more streamlined and quality-oriented public procurement, and significantly improving project efficiency and performance.

Professional institutions will be able to give an assessment of impact.

Financial discipline and restructuring

6. Arbitration. The commitment made by the Government on the use of arbitration and obligatory inclusion of arbitration clause in public contracts concluded with micro and small enterprises to avoid long-lasting settlement of disputes in court.

Impact: Expedited settlement of commercial disputes by 20 per cent.

7. Rapid enforcements. Enforcements should be completed within 3 months at the latest. During the enforcement procedure, creditors should be allowed to submit authentic documents evidencing that the objection is ill-founded. If the court finds such documents to be credible, the debtor's objection shall not stay execution.

Impact: Less avoidance and procrastination on the side of debtors; more order in payment discipline; better liquidity of creditors, fewer companies in bankruptcy due to defaults by debtors.

8. Reprogramming of tax debt. Mitigated conditions for phased payment or tax deferral: 36–50 months with the possibility of interest write-off provided that the entrepreneur has not yet benefited from rescheduling for the same tax liabilities, that they regularly settle liabilities in accordance with the determined cut-off date, that their accounts are not blocked, and provided that in the period of incurrence of debt they have not paid out any dividends or profit ...

Impact: Eased liquidity crunch in companies which have found themselves in difficulty because of the market situation, and no rescheduling for those who are in trouble due to disputable business practices.

9. Expert assistance in restructuring (Early Warning System). The Government programme to assist entrepreneurs in financial distress by creating counselling centres for them. Aim: In justified cases, entrepreneurs are offered free or affordable co-counselling in the field of financial analyses, marketing strategies, business planning, restructuring, and are given the possibility of being warned in due time about insolvency problems.

Impact: Preparing entrepreneurs to take appropriate action before they find themselves in bankruptcy or rendering assistance in severe business difficulties due to a sudden critical market situation. Fewer bankruptcies, increased viability of companies.

2. IMPROVED BUSINESS ENVIRONMENT

More accessible financial sources

10. Financial “twin”. Expanding this financial product to other areas of small business with start-ups, so that a company which obtains soft financing in the form of loans, guarantees, etc., can additionally also benefit from a support programme suited to individual target groups, forms of financing and the development phase of the company.

Impact: More rational use of funds by companies with greater focus on the set objectives thus increasing the success rate of Governmental financial incentives and macro-economic effects.

11. Microloans. Providing more companies with access to working capital through the schemes of the Slovene Enterprise Fund (SEF). Companies still suffer from the credit crunch as particularly small businesses and certain groups of companies have a very limited access to quick funding of ongoing operations. Strengthening microloans would give access to sources of financing working capital.

Impact: Improved access to sources of financing small businesses in order to increase their competitiveness, resulting in employment growth also in this enterprise segment.

12. More equity capital More incentives for types of equity financing coming directly from state institutions, such as the Slovene Enterprise Fund or SID Bank or indirectly via so-called venture capital funds.

Impact: Creating a supportive environment for the development of the equity capital market, increase in long-term financing sources, development of private-public partnership and restoring confidence between public and private capital in order to promote growth and development of companies with a potential of quick and global expansion and with high value added per employee.

13. Simplification of procedures with SID Bank. Shortening procedures when applying for SME funds with SID Bank.

Impact: Faster access to loans, especially from the package of EUR 500 million of lending capacity, which was adopted last year. Reduction in bureaucracy.

14. Increased access to loans. Other measures to increase access to sources of lending with banks and other lending institutions, strengthening the Slovene Enterprise Fund (SEF), accelerating the introduction of SID instruments for capital increase in micro and small enterprises.

Impact: Obtaining the necessary funds for the development of small and micro enterprises: accelerated development and positive effects on employment as well as on corporate income taxes.

15. More accessible calls for tenders. Action programme of the Government of the Republic of Slovenia to simplify public procurement procedures for companies. In reviewing the public procurement system in the EU and in Slovenia, opportunities should be provided for participation of micro and small enterprises in public procurement – at least to a certain extent.

Impact: Reduced bureaucratic obstacles and costs, enabling a large number of companies to participate in calls for tenders; promoting the development of small business.

More favourable tax regulation and improved accounting services

16. Uniform real property tax rate and lower tax burden on labour. A relatively low uniform tax rate of the future real property tax for all taxable persons allowing for a certain deviation from this tax rate to be applied in various municipalities (up to 50%); a lower tax rate may be applied to enforce the tax on all taxable persons, including those who have not paid any charge for the use of construction land so far. Moreover, the disputed evaluation models should be corrected urgently to allow for the possibility of full complaint.

Impact: Abolishing discrimination among the payers of the charge for the use of construction land from different municipalities, simplified tax collection. The collected tax would have a beneficial effect on the state budget since in this case municipal co-financing would be significantly reduced, and the savings could be used to lower tax burden on labour with a view to easing the employment crunch.

17. Increasing VAT threshold. Revision of the flat taxation system and reduction of bureaucracy for sole proprietors and micro enterprises (increasing the upper income limit for entering the flat taxation system and increasing the VAT threshold).

Impact: Reduction in administrative burdens and positive effect on reducing shadow economy.

18. Special incentives for start-ups. Exemption from contributions for start-ups in the first business year followed by a gradual introduction of contributions in the next 2–5 years (ranging from 100 per cent exemption in the first year to 20 per cent in the fifth year).

Precondition: new employments and organic growth (not influenced by different types of restructuring).

Impact: Strengthening a new wave of entrepreneurial spirit and supporting start-ups during the most sensitive initial years of entry into the market.

19. Immediate VAT refund in the event of bankruptcy. For all claims in the bankruptcy proceedings reported by 31 December 2010, 20% VAT was charged and paid, which will be returned proportionally to the bankruptcy creditor after the completed bankruptcy proceedings. The bankruptcy proceedings should end with VAT refund even if a creditor unconditionally renounces a proportional share of its claims reported in bankruptcy proceedings for the benefit of the budget of the Republic of Slovenia.

Impact: Immediate refund of paid VAT, the state budget would receive a proportionate share of claims reported in bankruptcy after the completed bankruptcy proceedings.

20. Reducing the tax burden on descendants. tax legislation in case of transfer of businesses onto descendants.

Impact: A more favourable transfer of family businesses onto descendants facilitates a successful business continuity of family-owned businesses. Abolishing discriminatory tax policy regulating the transfer of businesses compared to the transfer of other assets onto descendants.

21. New labour market reform. It is necessary to restart the labour market reform. The adopted reform failed to reduce labour costs sufficiently. Labour costs should be decreased

in respect of high tax burdens and contributions. In no event should labour costs increase at a faster rate than productivity.

Impact: Lower operating costs resulting in improved market competitiveness, positive effects on employment and more possibilities for investments in development.

22. Sick leave borne more correctly. If a worker's absence from work due to sickness borne by the employer is interrupted after 30 working days and then continues for the same medical reason after less than 30 days, the payment of the latter sickness benefit should be borne by the Health Insurance Institute of Slovenia.

Impact: Sickness benefits more correctly borne and efficiently controlled.

23. Introduction of accounting standards. Introducing the standard of providers of accounting services with the aim of ensuring a minimum prescribed level of education, ongoing training and protection of the users of such services.

Impact: Appropriate level of quality of accounting services and protection of the users of such services from small business.

Smart state regulation

24. Quality-oriented public calls for tenders. It is necessary to abandon public procurement based merely on the minimum bid price principle which hinders development and results in poor quality works. Public procurement as described in the new European directive should be introduced by the end of 2014 also with a view to ensure efficient disbursement of Cohesion funds as urged by the European Commission.

Impact: Improved public procurement in support of development solutions of providers of higher quality. Preventing low-quality dumping offers.

25. Smart legislation. Professional assessment of impacts on small business should be systematically taken into account when adopting regulations, also assisted by the project "Business SOS" (to be introduced in autumn 2014). The SME tests to assess the impact of regulations on small business should be introduced much faster than envisaged by the Ministry of Economic Development and Technology. Pilot tests should be carried out immediately as well as a regular review of regulations by 31 October 2014 at the latest.

Impact: Abolishing measures that have not been deliberated on sufficiently and consequently preventing negative effects they might have on small business.

26. Smart deregulation. Deregulation of occupations and activities should be in compliance with comparable international standards with the aim of eliminating administrative obstacles, but in no way blindly by threatening the safety or lowering the necessary professional requirements for certain activities (knowledge services, accounting services, driving instructors, real estate agents, etc.).

Impact: Improved competitiveness without threatening the safety and reducing the quality of services.

27. Regulating the knowledge market. Providing a legal basis for the introduction of minimum professional and quality standards for providers of knowledge services (consulting, engineering, translation and similar services).

Impact: Ensuring an appropriate level of quality of services and protecting the users of such services from small business and other segments, including public contracting authorities.

28. Short deadlines for officials. It is necessary to set short and binding deadlines for issuing reasoned opinions by public officials, and to consistently ensure that officials responsible for the case will be personally held liable for unduly omitting

or protracting the procedure. In administrative proceedings, the rule should apply that within a certain time period after the client has filed its proposal and request, the decision (consent) shall be deemed to have been granted if the official has failed to reply in due time.

Impact: Expedited settlement of cases in administrative proceedings and a professional and business-oriented public administration.

29. Simplified management of public calls for tenders.

Unnecessary administration (irrational requirements to correct and amend reports) by control bodies should be reduced or abolished with regard to conducting and, in particular, reporting on public calls for tenders.

Impact: Reducing administrative burden and costs on companies participating in state-funded projects.

30. Reimbursement of costs incurred in public calls for tenders. If a call for tenders is cancelled due to the fault of state institutions, the applicants should be reimbursed the costs incurred in the process.

Impact: Reimbursement of costs to companies if a call for tenders is cancelled due to the fault of state institutions.

31. Outsourcing of services by the public administration.

The Government should support outsourcing of knowledge services and creative industries by the public administration, and introduce transparent procedures which will not prioritise unsuitable low-priced (dumping) and low-quality providers.

Impact: Streamlined services of higher quality than they would be if they were performed by the public administration alone, as well as supporting the development of high-quality small enterprises engaged in these activities.

32. Joint account. Introducing a joint account for copyright-based collective societies.

Impact: Increased transparency and simplified administration.

3. FRESH IMPETUS TO DEVELOPMENT

Education for entrepreneurship

33. Entrepreneurship as part of the educational system.

Following the recommendations of the European Commission, the curricula from primary school to university should include entrepreneurial topics, entrepreneurial code of ethics as well as quality and process management with practical training, which should be obligatory at least from secondary school onwards. Increased career orientation from primary school onwards.

Impact: Promoting the entrepreneurial spirit among young generations will decrease structural unemployment among the young and increase the future competitiveness of the Slovenian economy.

34. Inclusion of small business. Obligatory inclusion of small enterprises into professional and programming bodies of institutions engaged in:

- preparation of strategic and implementing acts, which influence the operations of small businesses;
- education and training in regular programmes with the aim of increasing the suitability of study courses and improving the competence of graduates.

Impact: More professionally and meaningfully prepared documents and economic measures; better trained graduates at the end of the educational process to meet the requirements of small business.

35. Adequate professional personnel. The Government should adopt an action plan of training for small business in

cooperation with small businesses, and provide support in the implementation of this plan.

Personnel should be adequately trained:

- by improving the education for shortage occupations and jobs of the future;
- by subsidising trainings for running family businesses;
- by lowering VAT tax rate for educational programmes which will upgrade those offered on primary and secondary level of education (primary and secondary school).

Dual effect: High-quality education for small business on the one hand, and affordable educational and training services of high quality not offered by the public education system.

Trends in employment policy

36. Entrepreneurial clusters. It is necessary to design the measure of active employment policy to promote entrepreneurship and self-employment (grants for new sole proprietors) in such a way that new entrepreneurs will be motivated to form entrepreneurial clusters which will be more competitive and successful.

Impact: easier start-up creation; more competitive young entrepreneurs, motivated for team-work and networking...

37. Employment of young graduates. Fostering the employment of young educated persons with additional traineeship programmes for graduates to equip young people with the competences for practical work in companies and to ensure financial support for that purpose (covering the cost of mentorship for small and micro enterprises).

Impact: More competitive young graduates equipped with practical knowledge; greater influx of fresh knowledge into small business; employment growth.

38. Employment of young researchers. In addition to subsidising the programme of young researchers, it is necessary to design a programme of subsidised employment of young graduates from different branches in innovative micro and small enterprises (managers in small business, strategic innovation, internationalisation, etc.).

Impact: Better employability of young researchers with practical knowledge; greater influx of staff potential into small business; employment growth.

Accelerating technological development

39. Technological development. The funds of the Slovene Enterprise Fund for grants in the purchase of new technological equipment have to be further increased.

Impact: Accelerating necessary technological development of small business.

Specific effects directly depend on the increase of those funds; professional institutions will be able to give an assessment.

40. Higher tax reliefs. Areas to which investment tax reliefs apply should be expanded by taking into account the cost of investments incurred in the phase of creation and not only after the start of the actual usage.

Impact: Better technological equipment is a precondition for kick-starting the economy.

Fresh impetus to entrepreneurship

41. Assistance in the EU projects. Assisting small business in applying for the EU projects should be strengthened to include:

- timely submission of key information on the EU projects;
- promoting the inclusion into European R&D projects;

- EU project voucher – co-financing consultancy in the EU calls for tenders and inclusion into the EU project consortia.

Impact: Faster training of small and micro enterprises for cooperation in the EU projects; several successful projects.

42. Various types of entrepreneurship. Strategies and an action plan to support various types of entrepreneurship should be prepared, including but not limited to entrepreneurship for students, women, seniors and unemployed persons.

Impact: Fostering entrepreneurial spirit in various groups of population with specific potential to exploit market niches.

Direct effects: Several practicing entrepreneurs, fewer candidates for social support; improved offer in various market niches.

Indirect effects: Activating the potentials of groups which often remain unexploited, marginalised.

Professional institutions will be able to give a specific assessment of impact.

43. Fostering commercialisation of knowledge and technologies. Commercialisation of knowledge and technologies should be fostered through establishment of start-ups by public research bodies and universities. Entrepreneurs should build their companies on the basis of R&D achievements and ideas created by knowledge institutions and other companies within the start-up ecosystem.

Impact: To establish at least 30 innovative start-ups in Slovenia each year until 2020, the business idea of which originates from commercialisation of knowledge and/or technology from public research bodies or universities.

44. Entrepreneurial accelerators. Thematic programmes of entrepreneurial incubators and public funds should be joined into so-called entrepreneurial accelerators ranging from talent activation to supporting global growth of start-ups.

Impact: Entrepreneurial accelerators are aimed to speed up the development of start-ups with a global potential within a relatively short period of time (usually from 3 to 6 months), and to ensure an intensive mentorship programme and start-up capital for this breakthrough (the so-called "smart money").

45. Coordinated support for entrepreneurship. It is necessary to limit the fragmentation of funds and duplication of programmes for supporting entrepreneurship financed from European funds on the one hand and from Slovenian public funds on the other hand. The projects or programmes of the support environment which have received European funds should be given priority also in national funding support schemes.

Impact: Rational use of European and Slovenian public funds and optimisation of the quality of entrepreneurial support environment.

46. Cheaper infrastructure. The Government should ensure access to affordable physical infrastructure to kick-start the domestic entrepreneurship and attract foreign direct investments (renting state-owned empty premises at lower prices at least for a certain period, etc.).

Impact: Business revival of empty premises, adapting real property prices to prevailing economic and market conditions in the country.

4. DECISIVE SUPPORT FOR EXPORTS

Internationalisation programmes

47. Go International SME. Micro and small enterprises require training, familiarisation with modern views and practical approaches for an effective entry into international markets (for example, as part of the "Go International Slovenia" programme) assisted by specific branch experts. This includes the transfer of experience and counselling of SMEs by well-established companies on foreign markets, and support for business models of

internationalisation in the field of innovations and technological development.

Impact: More successful breakthrough of small and micro enterprises into foreign markets. Increase in exports by approx. EUR 100 million (in combination with proposal no. 49).

48. Neighbourhood operations. An action plan to systematically promote Slovenian small business in neighbouring cross-border markets and its swift implementation will make it possible to assist quickly and efficiently during the first cross-border appearances.

Impact: More successful breakthrough of small and micro enterprises into neighbouring markets; integration into cross-border entrepreneurial networks. Increased exports by approx. EUR 20 million.

Services in support of internationalisation

49. Strengthening support for market breakthrough: Micro and small enterprises should receive assistance with specific forms of appearance abroad, including information technology, contacts, organisation of networks and joint appearances on foreign markets.

Impact: More successful breakthrough of small and micro enterprises into foreign markets. Increased export by approx. EUR 100 million (in combination with proposal no. 47).

50. Diplomacy for small business. With a special action plan and assisted by partners (including the CCIS), the Government should bring the services of economic diplomacy and the European Commission nearer to small business.

Impact: Increased internationalisation of the SME operations and increased exports.



The Chamber of Commerce and Industry of Slovenia is a member of the Slovenian consortium of the Enterprise Europe Network. This network was established by the European Commission's Directorate-General for Enterprise and Industry with the aim of providing coordinated and comprehensive support for SMEs. It is present in more than 40 EU and non-EU countries (USA, the Western Balkans and Turkey, Russia, China ...) and comprises over 500 institutions of support environment for entrepreneurship and technological development – www.een.si.

Priority measures from Agenda^{MG} 2014

10 key (and partly) unrealised last year's proposals

1. **Go International SME.** A programme to support the exports of small enterprises should be drawn up: training, familiarisation of small and micro enterprises with modern views and practical approaches for efficient entry into international markets.
2. **Introduction of a SME test.** Professional assessment of impacts on small business should be systematically taken into account when adopting regulations, also assisted by the project "Business SOS" – much faster than envisaged by the Ministry of Economic Development and Technology. Pilot tests should be carried out immediately as well as a regular review of regulations by 31 October 2014 at the latest.
3. **Arbitration.** The commitment made by the Government on the use of arbitration and obligatory inclusion of arbitration clause in public contracts concluded with micro and small enterprises to avoid long-lasting settlement of disputes in court.
4. **Fight against shadow economy.** Shadow economy should be reduced by combining flat taxation with the introduction of fiscalisation (certified electronic fiscal software with online connection to cash-register) following the principle "Each invoice counts" including prize drawing, and by consistently carrying out common-sense preventive measures by inspection services.
5. **New labour market reform.** It is necessary to decrease labour costs in respect of high tax burdens and contributions, in particular for highly trained professionals. In no event should labour costs increase at a faster rate than productivity.
6. **Simplification of procedures with SID Bank.** Shortening procedures when applying for SME funds with SID Bank.
7. **Quality-oriented public calls for tenders.** It is necessary to abandon public procurement based merely on the minimum bid price principle which hinders development and results in poor quality works. Public procurement as described in the new European directive should be introduced by the end of 2014 also with a view to ensure efficient disbursement of Cohesion funds as urged by the European Commission.
8. **Assistance in EU projects.** Assistance for small businesses in applying for EU projects should include:
 - timely submission of key information on projects;
 - promoting the inclusion into European R&D projects;
 - EU project voucher – co-financing consultancy in EU calls for tenders and inclusion into EU project consortia.
9. **Adequate professional personnel.** The Government should adopt an action plan of training for small businesses in cooperation with them:
 - by improving education for shortage occupations and jobs of the future;
 - by subsidising trainings for running family businesses;
 - by lowering VAT tax rate for shortage educational programmes which will upgrade those offered on primary and secondary level of education ...
10. **Entrepreneurial clusters.** The measure of active employment policy to promote entrepreneurship and self-employment (grants for new sole proprietors) should be designed in such a way that new entrepreneurs will be motivated to form entrepreneurial clusters which will be more competitive and successful than individuals.

10 ključnih novih predlogov

1. **Entrepreneurship as part of the educational system.** Following the recommendations of the European Commission, the curricula from primary school to university should include entrepreneurial topics, entrepreneurial code of ethics as well as quality and process management with practical training, which should be obligatory at least from a secondary school onwards. Increased career orientation from primary school onwards.
2. **Reprogramming of tax debt.** Small enterprises should be offered mitigated conditions for phased payment or tax deferral: 36–50 months with the possibility of interest write-off provided that the entrepreneur has not yet benefited from reprogramming with respect to the same tax liabilities; that they regularly settle liabilities in accordance with the determined set-off date, that their accounts are not blocked, and provided that in the period of incurrence of the debt they have not paid out any dividends or profit.
3. **Transparency of inspections.** Inspections and controls should be made more transparent by following the example of Lithuania (online inspection checklists).
4. **Financial "twin".** Financial twins should be expanded to other small business' areas with start-ups, so that a company which obtains soft financing in the form of loans, guarantees, etc., can additionally also benefit from a support programme (with consultant) suited to individual target groups, forms of financing and the development phase of the company.
5. **More equity capital.** Incentives for types of equity financing coming directly from state institutions, such as the Slovene Enterprise Fund or SID Bank or indirectly via so-called venture capital funds.
6. **Microloans.** Providing more companies with access to working capital through schemes of the Slovene Enterprise Fund (SEF). Companies still suffer from the credit crunch as particularly small businesses and certain groups of companies have very limited access to quick financing of ongoing operations. Strengthening microloans would enable access to sources of financing working capital.
7. **Lower tax burden on labour.** It is necessary to decrease tax burden on labour on a pro rata basis in case of higher total inflows into public cash registers from real property tax.
8. **Increasing VAT threshold.** It is necessary to revise the system of flat taxation and ensure reduction of bureaucracy for sole proprietors and micro enterprises (increasing the upper limit of contributions for entering the system and increasing the VAT threshold).
9. **Entrepreneurial accelerators.** Thematic programmes of entrepreneurial incubators and public funds should be joined into so-called entrepreneurial accelerators ranging from talent activation to supporting global growth of start-ups.
10. **Reimbursement of costs incurred in public calls for tenders.** If a call for tenders is cancelled due to the fault of state institutions, the applicants should be reimbursed the costs incurred in the process.

3 objectives of Agenda^{MG} 2014

The revised Agenda^{MG} 2014 of the Chamber of Commerce and Industry of Slovenia (CCIS) pursues three key objectives, all connected to fresh impetus for entrepreneurship in the upcoming years:

- abolishing employment and financial crunch in the small business,
- higher share of small businesses in exports,
- more efficient and de-bureaucratized legislative and administrative procedures.

Small business is the backbone of modern developed economies. In such circumstances, when technological progress has often caused large companies to decrease the number of employees, small businesses represent an important driving force for generating new workplaces.

Unfortunately, data gathered on Slovenian small business do not confirm this trend. On the contrary, last year small and micro enterprises created more value added per employee and increased their exports as compared to 2012. Those with more than one employee also made much more profit. However, owing to the unstable economic situation in Slovenia, their revenues decreased and they employed fewer workers. Sole proprietors also exported more, although there were fewer of them last year compared to 2012, and they also employed fewer workers.

The survey of Global Entrepreneurship Monitor (GEM) 2013 reveals a worrying situation showing that fewer business opportunities are perceived: in 2012, business opportunities were perceived in the environment by one fifth of the adult population, while in 2013, only 16 per cent of adults perceived them, which puts Slovenia in 62nd place among 67 surveyed countries. The share of highly educated entrepreneurs among existing and new entrepreneurs is also decreasing. On average, Slovenian entrepreneurs are older and less educated, which could have a long-term negative effect on key macroeconomic indicators, such as employment, exports and created added value.

Last year, the CCIS pointed out that quick and efficient priority measures were urgent to promote small business. And what is the result? The Slovenian business sector is still not content with how the Government of the Republic of Slovenia is implementing the proposals of measures from Agenda^{MG} 2013. It is true that the Government has included as many as 20 out of 34 into its Unified Programme for Improvement of Competitiveness and Business Environment but, according to our information, only three proposals were fully and 13 were only partly implemented..

No Slovenian Government so far has yet given a more ambitious and decisive support to improving competitiveness and business environment for small business. In particular, we miss a systematic realisation of priority measures. Instead, governments are implementing those measures which are not top priority for small business.

That is why this year, in addition to Agenda^{MG} 2014 and a revised list of priority measures, we put before the new Government of the Republic of Slovenia also 10 highlighted proposals from last year's Agenda^{MG}, which the current Government of the Republic of Slovenia has not managed to implement (in full), and top 10 new proposals.

This time, we have likewise compiled a vast set of proposals from expert services and industrial associations/chambers of the CCIS submitted by our members (as much as 92 per cent of the CCIS members come from small and micro enterprises), including a long list of entrepreneurs, craftsmen and small enterprises who are not CCIS members. Additionally, the major share of new proposals has already been discussed with representatives of the Government of the Republic of Slovenia, active non-governmental supporters of small business and representatives of state institutions providing support to small businesses. This means that numerous proposals are already the result of a selection and discussion with broader public.

In the wake of the upcoming elections, we propose to political parties and other lists of candidates to include the proposals from Agenda^{MG} 2014 into their election programmes as a matter of priority, with the aim of stimulating economic growth and new employments. We hereby call on the new Government of the Republic of Slovenia to include the measures from Agenda^{MG} 2014 into its action plan and to start implementing them without delay in cooperation with the CCIS immediately after the elections.



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