



## Challenges to the Transport and Logistics SMEs during the EU Accession



## INTRODUCTION



*Micro, small and medium companies are:*

- 99 % of all companies in the EU;
- around 23 million;
- employing approximately 100 million people;
- key source of jobs and business ideas;
- most sensitive to any changes in business environment;
- the foundation of the European economy.



*The creation of a favorable environment for companies and business in Europe:*

- Reduced administrative burden;
- Improved quality of legislation;
- Facilitating rapid start-up of new companies;
- Creating an environment supportive to businesses.

*Community actions are aimed at supporting small businesses in:*

- cooperation between SMEs;
- innovation, research and technological development;



*Business Support on Your Doorstep*



### *EU policy programs for SMEs:*

1983 - 1<sup>st</sup> program;

1987 - 2<sup>nd</sup> program;

1997 - 3<sup>rd</sup> program;

2001 - Multi-quarters program

### *Policy tasks:*

- To build an entrepreneurial culture;
- To foster an environment supporting innovation;
- To encourage new business models, meet the challenges of e-economy.





- Set of new policy measures to implement 10 principles according to the needs of SMEs;
- Principles are essential for adding value at EU level to create a level playing field for SMEs and improve the legal and administrative environment throughout the EU;
- Set of new legislative proposals which are guided by the principle **“Think small first”**



# CHALLENGES IN THE TRANSPORT SECTOR



- implementation of a significant volume of traffic law - several hundred regulations, directives and decisions;
- 70% of acquis are related to road transport;
- Liberalization of railway transport leads to many changes in regulations;
- New White paper 2011 - Roadmap to a Single European Transport Area - Towards a competitive and resource efficient transport system
- A 50% shift of medium distance intercity passenger and freight journeys from road to rail and waterborne transport.
- at least 40% cut in shipping emissions



# CHALLENGES IN THE TRANSPORT SECTOR



- market access, safety and infrastructure organization in Air Transport;
- Safety in sea transport;
- accession of the transport infrastructure of new member states to Trans-European Transport Network.

## *Transitional periods for:*

- Cabotage in road transport;
- Market access in railway transport;
- Air transport - noisy plains from third-part countries.



# BULGARIA'S POLICY ABOUT SMEs



Bulgaria started accession negotiations on 15 February 2000 and at 1 January 2007 the country is accepted in EU.

- 1999 - government stated policy to SMEs as a priority;
- 2000 - the establishment of the SME Act;
- 2002 - adoption of national strategies:
  - 2002-2006 - first national strategy;
  - 2007-2013 - second national strategy.



# BULGARIA'S POLICY ABOUT SMEs



The strategy 2007-2013 defined 7 priority areas shown in Figure .



## *Challenges in labour market:*

- More than half of SME managers said that they have recruitment problems;
- A primary problem is the availability of an appropriate workforce;
- Finding and hiring the appropriate workforce is a challenge for many SMEs;
- Most of high qualified personal goes in International companies or in old member states.



*Where to start when looking for information:*

- *European Social Fund - Human Resources Development*

<http://ec.europa.eu/esf>



- *EACEA - The Lifelong Learning and Grundtvig Programmes*

<http://ec.europa.eu/education/lifelong-learning-programme>



- *European Small Business Portal - Human resources*

<http://ec.europa.eu/small-business>



## *Innovation and SMEs - Keys to Prosperity*

- With an ageing population and strong competitive pressures from globalization, Europe's future economic growth and jobs will increasingly have to come from innovation in products, services and business models;
- Although the EU market is the largest in the world, it remains fragmented and not enough innovation-friendly;
- The SMEs face an uphill battle transforming scientific excellence into better and safer products.



# INNOVATIONS



*Where to start when looking for information:*

- *European Small Business Portal* - Innovation, research and copyright  
<http://ec.europa.eu/small-business>
- Seventh Framework Programme (FP7)  
<http://cordis.europa.eu/fp7>
- EUREKA's Eurostars Programme  
<http://www.eurostars-eureka.eu>
- SME Techweb  
<http://ec.europa.eu/research/sme-techweb>



## *Enhancing SMEs Competitiveness:*

- Technological advancements, especially in Information and Communication Technologies (ICT) have enhanced greatly the competition;
- In order to stay competitive, businesses need to keep up-to-date with the latest technological developments and to protect their innovative ideas;
- EU support is available to help them keep up with competitors, and to point them to the available opportunities.



# COMPETITIVENESS



- *European Small Business Portal* - Innovation, research and copyright  
<http://ec.europa.eu/small-business>



- *Executive Agency for Competitiveness & Innovation (EACI)* <http://ec.europa.eu/eaci>



- *Competitiveness and Innovation Framework Programme (CIP)* <http://ec.europa.eu/cip>

- *Cordis*  
<http://cordis.europa.eu>



# CHALLENGES FACING SMEs IN BULGARIA



- Administrative and regulatory burdens;
- Access to finance and human resources;
- Transitional periods;
- Innovations.



## *Decisions:*

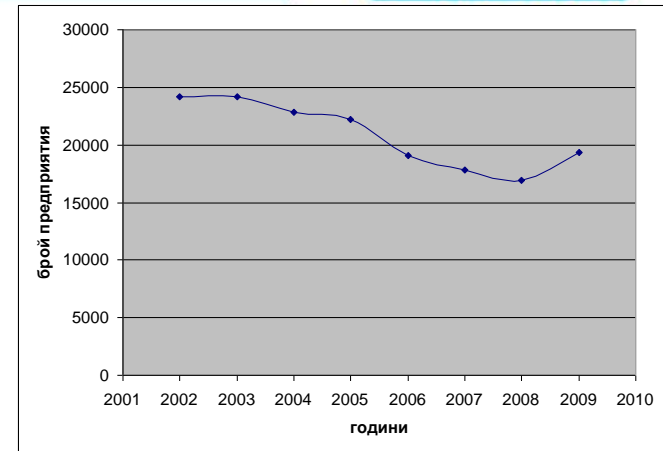
- e-government, administrative bodies;
- “Competitiveness” (1,16 billion €) and “Human Resources” (1,21 billion €);
- Information and technical support;
- Innovations funding - Framework Programs.



# DYNAMICS OF TRANSPORT AND LOGISTICS SECTOR IN BULGARIA



- In the period after 2003 decreased the number of companies with about 30% by 2008, then the number starts to grow again.



- From these data show that for the period decreased the number of companies with employees from 2 to 9 people, relatively constant has remained the number of companies with one employee and has increased the number of other enterprise groups.

Year	Number of employees						Total
	1	2-9	10-19	20-49	50-249	250+	
2002	8891	14149	580	343	189	51	24203
2003	9015	13925	612	411	186	47	24196
2004	8435	13013	712	433	211	49	22853
2005	8435	12210	822	473	213	53	22206
2006	8016	9389	882	490	237	54	19068
2007	8979	7036	943	539	251	57	17805





White paper 2011

“The Future of our Mobility ...  
Today !”

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Baltic to Balkan network for logistics competence