



EUROPEAN PARLIAMENT
DIRECTORATE GENERAL FOR RESEARCH
DIVISION FOR INTERNATIONAL AND CONSTITUTIONAL AFFAIRS

FACTSHEET

BULGARIA

Chapter 16 - Small and medium-sized Enterprises

1. The *acquis*¹

This chapter covers the area of enterprise policy, distributive trades, tourism and social economy. The *acquis* consists largely of decisions setting up consultation procedures and Community programmes, or of recommendations. These do not require transposition into the national legal order nor implementation and enforcement measures, except in respect of the Directive on tourism statistics (95/97/EC).

The subject of the chapter is important in the context of economic development and the capacity to withstand competitive pressure. Three areas are of particular significance:

- overall enterprise/SME policy formulation and implementation;
- the general business environment in the country concerned;
- the adoption and application of the definition of SMEs.
-

In April 2002, the candidate countries endorsed the 'European Charter for Small Enterprises' which was adopted in June 2000.

2. The Negotiations

Chapter opened: May 2000

Status: provisionally closed in May 2000

Transitional arrangements: none

3. Position of the European Parliament

¹ Information largely drawn from the European Commission, DG Enlargement, <http://europa.eu.int/comm/enlargement/negotiations/chapters/index.htm>

In its resolution of 5 September 2001 on Bulgaria's application for membership of the European Union and the state of negotiations¹, Parliament:

- Underlines the importance of encouraging the development of small and medium-sized enterprises in order to absorb the large number of workers made redundant by the restructuring of large enterprises and the agricultural sector; calls on the Bulgarian government to focus on improving the business environment through better access to financing.

4. Latest Assessment of the European Commission²

Bulgaria has made some limited progress in the implementation of its SME policy and in building up a state support system for business promotion. While Bulgaria's policy towards SMEs is broadly in line with the approach promoted at EU level and Bulgaria has made progress in stabilising the overall economic environment, it should focus efforts on further improving the business environment, resolving remaining uncertainties notably in the legislative and taxation areas and fighting the grey economy. Bulgaria is generally meeting the commitments it has made in the accession negotiations in this field.

November 2003

¹OJ No. C 072E/2002

² European Commission, 2003 Regular Report on Bulgaria's progress towards accession
http://www.europa.eu.int/comm/enlargement/report_2003/pdf/rr_bg_final.pdf