

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Resolution 221 (2006)¹ on promoting an entrepreneurial spirit among young people in Europe's regions

1. Regions have a more vital role to play than ever before in devising strategies for creating jobs and combating unemployment, since most of the sources of job creation are in spheres where regions are active and enjoy exclusive or shared powers. Strong regions are therefore a vital component of a national economy and regional policies should be designed to boost their capacity for innovation and enterprise.

2. There are noticeable disparities between Europe's regions in employment and economic growth as well as in attitudes to entrepreneurship. Enterprise education, training and work preparation should therefore be a priority and be backed by substantial financial resources in order to ensure that the job creation potential of entrepreneurial activity is better exploited.

3. The Congress's past contributions to the debate on employment in the regions, including Recommendation 52 (1998) on the regions and employment: contribution to social cohesion in Europe and Recommendation 129 (2003) on employment and vulnerable groups, led it to conclude that while regional authorities are active in supporting the creation of new businesses and young entrepreneurs, specific action designed to promote the spirit of enterprise or entrepreneurial culture is rare.

4. With regard to the European Union, the debate is equally topical – the Union's 2003 Green Paper on "Entrepreneurship in Europe" was followed in 2004 by its "Action Plan: the European Agenda for Entrepreneurship" which highlighted as a key action the fostering of entrepreneurial mindsets among young people.

5. The Congress thanks the Chamber of Regions for bringing this important topic to its notice and fully shares the views outlined in its report on promoting an entrepreneurial spirit among young people in Europe's regions that enterprise and an entrepreneurial culture cutting across age, gender or background, is not only important for the economic growth and dynamism of a region, but is one of the most promising means of combating youth unemployment;

6. Consequently, the Congress calls on regional authorities of Council of Europe member states to:

a. act as an interface between national and local levels with regard to the adoption and implementation of youth transition and enterprise training policies and to guarantee

coherence and co-ordination between European, national, regional and local schemes and programmes as well as between public and private initiatives;

b. foster citizens' understanding of entrepreneurship and its benefits to society and economic regional growth by: undertaking awareness-raising; disseminating information on available programmes to young people; showcasing regional success stories; and organising information days and campaigns in order to promote a new model of entrepreneurship as a concrete skill that can be learned, rather than as an abstract gift the fortunate few are born with;

c. to frame and implement, in conjunction with national authorities, a territorial strategy and overall plan for enterprise education in establishments coming under regional authority, which are tailored to the regional economic and social context, building on schemes that have been successfully implemented throughout Europe such as the Junior Achievement-Young Enterprise programmes. This plan and strategy shall include:

i. active learning developed in accordance with age and level, covering business and community, including the historical and contemporary aspects of local business development, economic awareness, simulation of work situations and mini-enterprises, with obligatory practical exercises to complement theory, covering not only the creation of products, but also their pricing and marketing;

ii. specific learning and support materials, designed to help teachers and pupils better appreciate business needs and improve the relevance of education to tomorrow's job market;

iii. allowance for increased funding for specialised teacher training in this field;

iv. a module on social commitment and community responsibility to highlight that enterprise is not just about private-sector profit;

v. recognition of enterprise qualifications;

vi. specific action aimed at the region's most vulnerable groups;

d. use the clear models for education-business partnerships that exist to establish close collaboration between the two spheres, where necessary providing incentives to encourage business associations and companies to become actively involved in school programmes;

e. establish partnerships for enterprise, bringing together all relevant local partners in the concept, strategic and delivery levels, in order to ensure that the skills and knowledge of a range of regional partners are brought to bear to ensure feasibility and sustainability of the schemes;

f. set up units for enterprise promotion at regional level, which could:

i. institute indicators, quantitative measures and programme evaluations (for cost-effectiveness, regional relevance, sustainability, etc.), then ensure that feedback is

given on a regular basis with regard to initiatives to establish their roadworthiness;

ii. provide timely and pertinent advice to regional start-ups and ensure that citizens are given adequate and pertinent knowledge of legal issues, benefits and taxation matters pertaining to starting in business;

iii. establish an inventory of good practices at regional level and provide a forum for discussion of enterprise issues, awareness-raising and exchange of good practice and dissemination of information, thereby enabling the identification of new enterprise opportunities in the region;

iv. **simplify administrative conditions and procedures** (“one-stop-shop” – as in Portugal’s Business Formalities Centres);

g. provide public premises for young entrepreneurs at special rates;

h. improve the chances of sustainability of start-ups by providing young potential entrepreneurs with programmes designed to test their personal resilience through a challenging week-long programme prior to starting up in business and by matching them with retired business people who can provide mentoring and support. This would not only enable knowledge-transfer, but would add to the sense of belonging and social cohesion of both generation groups;

i. lobby central governments for a reduction in national fiscal and social charges with regard for small and medium-sized enterprises;

j. tailor business incubators, grants and loans more carefully to the new business being developed and the character of those setting it up, by ensuring a clear-cut “checking and vetting” process for new business ideas, and by proposing economic incentives for regional business enterprise such as start-up loans or project competitions;

k. eliminate, as far as possible, all administrative obstacles that may hamper entrepreneurial activity, and in accordance with their competences, reduce the overall tax burdens faced

by companies in general and provide more favourable tax environments for angel investors as an acknowledgement of their positive role in promoting enterprise;

l. give financial support to non-governmental organisations and other organisations that widely disseminate entrepreneurship education programmes as well as the educational establishments they collaborate with;

m. seek to redress and avert gender and ethnic imbalances in regional enterprise strategies and actively support action by minority groups or networks aimed at enterprise activities, thus ensuring that entrepreneurship initiatives also support young people with specific needs (disabled, migrants, ethnic minorities, first-time job seekers).

7. Finally, the Congress decides to:

a. study the possibility of promoting an exchange of knowledge and good practice between authorities;

b. support events at regional or pan-European level that raise awareness of the importance of entrepreneurship or showcase particular activities to this end;

c. ask the Committee on Social Cohesion to take full note of the results of the planned round table on promoting enterprise among young people, notably with regard to minorities and women;

d. invite the Committee of the Regions of the European Union, in the framework of the Co-operation Agreement signed in Brussels on 13 April 2005 between that body and the Congress, to seek to further enhance an entrepreneurial culture in the regions and to examine the possibility of joint activities with regional and local authorities in that respect.

1. Debated and approved by the Chamber of Regions on 31 May 2006 and adopted by the Standing Committee of the Congress on 1 June 2006 (see Document CPR (13) 2, draft resolution presented by D. Lloyd-Williams (United Kingdom, R, ILDG) on behalf of M. Khan (United Kingdom, R, SOC) rapporteurs).