



Business and Industry Advisory Committee to the **OECD**

Comité Consultatif Economique et Industriel Auprès de l' **OCDE**

PRESS RELEASE

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OECD Business Organisation (BIAC) Says: “Promoting Entrepreneurship Enhancing Policies Vital for Successful SME Development”

ISTANBUL – Speaking to the Business Symposium of the 2nd OECD Ministerial Conference on small and medium-sized enterprises (SMEs), the Secretary General of the OECD business organisation BIAC, Thomas R. Vant, called on Ministers to enhance the favourable framework conditions for more dynamic entrepreneurship supporting SME development. “Investment in entrepreneurship education among young people and strengthened access to technology and e-business for SMEs are core requirements for a successful SME policy”, says Vant.

The work of the OECD on regulatory reform and regulatory impact analysis will help governments in cutting red tape and simplifying overly bureaucratic regulations that specifically burden SMEs. “Government policies and practices regulating the activities of business and investment can be a major barrier, or they can be a significant enhancement, to the stimulation of investment and expansionary thinking by SMEs”, says Vant. While SMEs are the business grouping most able to bring creative and innovative solutions to the promotion of economic growth, they are also the ones least able to work in an environment of investment uncertainty and complex tax and labour market regulations.

In order to remedy the increasing financing problems of SMEs, BIAC supports the establishment of specialised national banks providing tailored finance for SMEs and guarantee mechanisms in form of credit back-up funds. “Insufficient access to venture capital is holding back SMEs from playing their full role in the global economy. Allowing greater flow of funds to SMEs from financial institutions, by adjusting risk constraints, will provide the positive stimulus needed”, adds Vant.

Founded in 1962, the Business and Industry Advisory Committee (BIAC) represents the major industry and employers’ organisations in the 30 OECD member countries.

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