



**EUROPEAN  
CONFEDERATION  
OF YOUNG  
ENTREPRENEURS**  
SECRETARIAT GENERAL  
1, AV. DE LA JOYEUSE ENTREE  
B-1040 BRUSSELS  
T: +32 2 280 34 25  
F: +32 2 280 33 17  
E: SECRETARIAT@YES.BE  
W: WWW.YES.BE

## **YES - European Confederation of Young Entrepreneurs**

### **YES Mission**

YES – European Confederation of Young Entrepreneurs is the main association of young entrepreneurs in Europe. YES represents around 40.000 young entrepreneurs below 40 years of age. YES aims at improving the economic and social performance of European entrepreneurship. Its members include major national associations of young entrepreneurs in the field of industry, trade and services from 17 countries\*.

### **YES Objectives**

YES maintains an ongoing dialogue with the Institutions of the European Union in order to:

- Ensure that European Union initiatives reflect the entrepreneurial spirit in Europe and promote policy measures that will facilitate business activities for young entrepreneurs;
- Participate, in collaboration with public authorities, in the simplification of the business environment and take a more active part in political debates and economic projects that aim at promoting Europe worldwide.
- Ensure that the conditions for establishing enterprises in the European Union remain homogeneous and favorable;
- Compare and assess the impact of the Internal Market measures on enterprises in the Member States;
- Foster easier access to information on European policy for small and medium sized enterprises (SMEs) across Europe;

### **YES benefits for Members**

- Meet, network and have fun together!  
Allow young entrepreneurs to meet peers and enlarge their horizon through a valuable international network.
- Give a voice to Young Entrepreneurs  
Unique in his positioning, YES is the voice of Young Entrepreneurs at EU level, takes part in EU consultation processes and impacts EU policy-making.
- Help you develop internationally  
YES develops and maintains efficient contacts with other groups or Business organisations across the globe and helps its Members, individual entrepreneurs, to discover and initiate Business relations with other countries outside the EU.

### **YES fosters business co-operation and networking activities between young entrepreneurs by:**

- Promoting exchanges of professional experiences;
- Developing a network of business regional co-ordinators in Europe that will enliven co-operation and support transnational projects;
- Establishing synergies within other networks in Europe that encourage business cooperation between entrepreneurs;
- Organising meetings between young entrepreneurs, such as the YES Annual Summit.

\* YES Member Federations include Albania, Austria, Belgium, Cyprus, Germany, Greece, Hungary, Italy, Kazakhstan, Montenegro, The Netherlands, Portugal, Slovakia, Slovenia, Spain, Turkey, Ukraine

## **YES Document**

### **Young Entrepreneurs facing financial crisis**

2010 targets of the EU were determined with Lisbon Strategy very ambitiously and at that time in the year 2000, it was not really taken into account seriously enough. The first five years were almost lost either without doing any significant improvement or just by planning. This period helped to create some level of awareness for the Lisbon targets. It was only possible to see some concrete steps taken by some of the Member States after 2005. Some successful examples in the pioneering Member States were encouraging. But only in the second half of the current decade the importance of the Lisbon Strategy objectives has been understood.

Especially after the unfortunate influence of the current financial crisis showed how important these objectives were and how correctly they were put as a target in front of the EU in 2000. Some of the Lisbon Objectives could be a solution to the current financial crisis as well.

Even though the level of compliance with the Lisbon Strategy objectives varies from Member State to Member State quite substantially, the awareness is present in all Member States for the moment. The large disparity among the Member States shows the necessity of better evaluation criteria in order to measure the compliance levels.

Within this context YES believes that some sort of sanctions or binding measures could be helpful, such as suspension of the EU funds for Member States which are lagging too behind the targets. This type of a measure has already been used by the European Commission against the latest EU members.

EU is becoming more and more important global player, not only as an economic power, but also as a benchmark setter. The standards put forward by the EU have a benchmark effect globally due to the high confidence level towards the EU. EU has the best practice example in many areas which are crucial for the economy and the society, such as human rights, rule of law, gender equality, equal opportunities, children rights, etc. this list is not exhaustive.

On the other hand, EU is still far behind compared to the US in the case of innovation. In this regard, the effort on research & development and innovation within the context of Lisbon Strategy is important, but needs more effort both in the Member States and the EU that is both nationally and supra-nationally.

YES believes that focusing on sustainability, education (especially, lifelong learning), vocational training, promoting corporate social responsibility are important elements.

## **Failing in Business: a taboo subject and a chance**

In comparison to the United States, many European countries have no culture of failing in business. Failing is regarded as a stigma rather than part of a learning process. According to a study carried out by the Austrian YES-member federation in, almost all of the respondents stated that as a result of their fear of failing they rather leave their entrepreneurial skills unexploited than risk to fail. Yet these ideas and skills are essential for commercial and entrepreneurial activities and for creating a successful, innovative future. Europe needs people with problem-solving skills, courage and resilience who are capable of handling negative experiences in a constructive manner and who do not give up by failing but are able to learn from it.

For this reason YES is taking up this topic to discuss the phenomena of business failure at the European level. The perception of failure and the psychological stigma attached to it varies from country to country, as do legal and financial aspects in relation to it. The objective of this discussion process is to develop an idea from various concepts of business failure in the countries of our member federations. An important aspect will be to propose a regulatory framework which will enhance young entrepreneurs' will to take risk and start a business as well as thinking of ways on how to remove the existing stigma attached to business failure.

YES believes that if a culture of failing could indeed be helped to develop, an immense creativity and implementation potential could be released. Failing should be regarded as an opportunity – everyone deserves a second chance.

## **Entrepreneurs going School – YES starts an initiative to create an interest among young people for entrepreneurship**

European Young Entrepreneurs must make sure that there is a new generation of young entrepreneurs to come. For this reason, YES is seeking contact with young people to pass their entrepreneurial spirit and to inspire an interest among young people for a career as an entrepreneur.

On this occasion, YES is planning to launch an initiative "Entrepreneurs going school", in which European Young Entrepreneurs from the YES Member federations are meeting with students in high schools to introduce them to the concept of entrepreneurship and its European dimension. YES members will go to schools to talk to young people about their personal experiences as entrepreneurs and their business ideas. Concrete examples shall be brought across on the basis of case studies.

YES expects that this initiative of entrepreneurs' visits to high schools will trigger dealing this subject in schools between teachers and students. This initiative has already been carried out successfully in Austria, a detailed strategy for Europe is being worked on at the moment and the kick-off project will be soon.

## **Private Equity / Venture Capital**

Because of the lack of equity it is necessary to develop a PE/VC industry in Europe. Among the member countries the developments are really very different from one hand due to lack of tradition but on the other hand due to weak regulations/laws to carry out this business.

PE and VC are very important for the development of entrepreneurship and especially for the increase of R&D activities in Europe. PE/VC helps the companies to strength there equity especially in big crises like the one that we are experiencing. The equity requirements for leverage finance will increase and companies are not in the position to show increasing equity because of the bad economic situation.

For this reasons YES strongly believes that there should be a European Union framework of PE/VC funds based on the model of the Luxemburg SICAV structure. As an example, in Austria there is no competitive international structure.

## **European Rating Agency**

Within the context of the current financial crisis, YES strongly supports the idea of having a European rating agency (preferably a single body, rather than an authority in each Memeber State). This would create a sort independence from the US system and allows EU-minded control.

## **Sustainable development**

The past decades have led to a growing realisation that the current model of development is unsustainable. Our way of life is placing an increasing burden on the planet. The increasing stress that is put on resources and environmental systems such as water, land and air cannot carry on forever under these circumstances, especially as the world's population continues to increase.

In other words, we live beyond our means and unless we start to make real progress toward reconciling these contradictions we face a future that is less certain and less secure. Hence, a decisive move towards more sustainable development is required, by adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future.

In recognition of the above, YES fosters sharing business project experiences and resources at transnational level, with an emphasis to those introducing innovation for an efficient use of natural resources. Furthermore, YES has become an advocate of a broader change of the perception on how to run a business and has been committed to promoting the idea of integrating sustainable development into business practices among its members. This concept is based on the realization that economic, social and environmental components of human well-being are compatible in the long term, so progress in any one of these three components will be short-lived unless it is accompanied by improvements in the other two.

The European Confederation of Young Entrepreneurs is committed in promoting the necessity of turning towards sustainability, especially in its members that consists of young

entrepreneurs from all around Europe, the generation that faces the negative impacts of the old practises but also has the power to make a difference. In order to activate and initiate discussions on renewable energy, YES uses the theme at its organizations. The primary aim of YES initiatives is to stress out that the benefits occurring from sustainable development are not only in terms of protecting the environment and natural resources for the future generations but also in terms of business perpetuation and prosperity in the present.

### **Corporate Social Responsibility**

The growth of the global economy has seen benefits across the world, but also increasing public concern about business activities and a decline in trust. The crisis we are currently experiencing, demands an ever more serious and strategic commitment to Corporate Social Responsibility (CSR). CSR can play a key role in contributing to sustainable development while enhancing Europe's innovative potential and competitiveness. Business has a big role to play in enabling all to acquire the benefits of globalisation without adverse social and environmental impacts.

The precise nature and characteristics of CSR vary between different national and cultural contexts. In some countries, it is more and more integrated into a wide range of policies whereas in others, awareness-raising initiatives are mostly being developed. Nevertheless, CSR is fundamentally about voluntary business behaviour, a concept whereby companies integrate social and environmental concerns - on a voluntary basis - into their business operations, as well as into their interaction with stakeholders.

YES encourages a business mentality with a CSR perspective, by putting out in its members that CSR is relevant to all companies, large and small, to those operating in national as well as global markets and also to companies based in developing as well as developed countries. This perspective can stimulate better decision-making and business practices, based on a broader understanding of business impacts, beyond financial aspects and help to reconcile economic, social and environmental ambitions. CSR is an essential component of risk and reputation management and becomes increasingly important as enterprises are more and more exposed to greater public scrutiny.

A lesson from the current financial crisis could be that socially responsible entrepreneurs are of utmost importance for the wellbeing of our societies. Rebuilding trust, managing the human dimension, and seeing sustainability as an opportunity for new business are some keys to overcome the economic crisis.

### **VOTE! Your vote counts!**

YES also pays attention to the EU citizens rights and responsibilities and promote the EU Institutions among the citizens through its member associations. YES-European Confederation of Young Entrepreneurs launched a European Elections' campaign with the aim to stimulate awareness, initiate discussions and communicate the idea of a responsible European citizenship among its members.

The motto "VOTE! Your vote counts!" is what YES wishes to emphasise. According to the statistics, the participation rate among the European citizens has been quite low. Partially

being uninformed on the European electoral process and partially due to lack of confidence on the power of their vote.

With this campaign, YES expects to reverse that view into a responsible participation by increasing the awareness. Within the "VOTE! Your vote counts!" campaign, YES will organize a joint event with ETUC Youth, JADE and JEUNE that will take place in Brussels on April 16 aiming at raising awareness and to stimulate a constant interaction and exchange of information all around the European Elections 2009.

### **Statistical Information Related to YES Member Countries**

The World Bank Group releases every year a doing business index. YES would like to present a brief statistical information on the countries that are currently YES members.

The main indicators used in this study and the members countries which have made positive reforms can be summarized as follows:

starting a business (ALB, GRE, HUN,ITA,SLK, SLN),

dealing with construction permits(POR),

employing workers(SLN),

registering property(HUN,KAZ),

getting credit(ALB,KAZ,MON,UKR),

protecting investors(ALB,GRE,SLN,TUR),

paying taxes(ALB,GER,GRE,ITA,UKR),

trading across borders(UKR),

enforcing contracts (AUS,BEL,POR) and

closing a business(GER,GRE,POR).

Unfortunately, there were some steps taken backward as well in some countries in some indicators:

dealing with construction permits (MON, UKR) and

employing workers (ITA, KAZ).

According to the DOING BUSINESS 2009 Report, the YES Member Countries are performing as follows (economies are ranked on their ease of doing business, from 1 – 181, with first place being the best):

| <b>Country</b> | <b>Doing Business<br/>2009 Rank</b> | <b>Doing Business<br/>2008 Rank</b> | <b>Change in Rank</b> |
|----------------|-------------------------------------|-------------------------------------|-----------------------|
| Belgium        | 19                                  | 16                                  | -3                    |
| Germany        | 25                                  | 20                                  | -5                    |
| Netherlands    | 26                                  | 27                                  | +1                    |
| Austria        | 27                                  | 23                                  | -4                    |
| Slovakia       | 36                                  | 37                                  | +1                    |
| Hungary        | 41                                  | 50                                  | +9                    |
| Portugal       | 48                                  | 43                                  | -5                    |
| Spain          | 49                                  | 46                                  | -3                    |
| Slovenia       | 54                                  | 64                                  | +10                   |
| Turkey         | 59                                  | 60                                  | +1                    |
| Italy          | 65                                  | 59                                  | -6                    |
| Kazakhstan     | 70                                  | 80                                  | +10                   |
| Albania        | 86                                  | 135                                 | +49                   |
| Greece         | 96                                  | 106                                 | +10                   |
| Montenegro     | 90                                  | 84                                  | -6                    |
| Ukraine        | 145                                 | 144                                 | -1                    |
| Cyprus         | -                                   | -                                   | -                     |