



European Ukrainian
EU SME WEEK 2016
November & December 2016

SME in Tourism – Austrian Model Driver of Growth in all Regions




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Bila Tserkva, Ukraine – 24th of January 2017



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Progress on SME in Ukraine since Launch on 14th November

21 Stakeholders have joined UE-EU SME WEEK
UEAPME The Voice of SME in EU & Ukroboronprom
GoU has consulted new draft strategy 17 and 18 Nov
Ukraine Delegation at EU SME Assembly
EU Ukraine Business Forum 24th November
SME Business Service Panel on 28 November
EU4 Business Week in Kiev 28 to 1st December and now
Ministry started online consultation at website



EU-Ukraine Business Roundtable highlights SMEs' key role

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The [EU-Ukraine Business Roundtable](#) with Ukrainian President Petro Poroshenko took place in the context of the XVIII EU-Ukraine Summit. Enterprise Policy Director Luc Hendrickx requested that Mr Poroshenko specifically take SMEs into account in order to create an SME-friendly environment which will also benefit EU SMEs trading with Ukraine. He also stressed the importance of the [East Invest 2](#) project in awareness raising among SMEs regarding the DCFTA (Deep and Comprehensive Free Trade Agreement) and the Public Private Dialogue.

Mr Poroshenko confirmed the SMEs' crucial role for the Ukrainian economy and invited UEAPME to be a partner.

http://www.ueapme.com/IMG/pdf/161125_news.pdf



The sad and tragic situation of SMEs in Ukraine 2016

In all respects SMEs situation in Ukraine
dramatic in SME Access to Finance
Land, Labor Market, Mobility,
Market Access, Inspection, Taxation

Nowhere in Europe as bad – outside occupied areas
and Russia – much better in EU access countries

Even in Kosovo better...



Ukraine is rich in potential but too big -too special – too different ?

Land – End the Moratorium

Capital – Introduce 10% Flat & Exit Tax

People – Open Labor Market

Mobility – Follow Berlin Balkan Process

Treat yourself as EU accession country

Follow the SEE EU Accession Countries

Focus on Tourism – Essential Driver of Change and
Service Culture



SME and Land Access

SME need land for office, retail, collateral,
investment, production, location or to produce
agriculture or to build

Instead of Moratorium - a open market for
land

Kataster like in Macedonia

E-Construction permit like in Serbia

Mortgage system like in Austria



SME and Capital

SME need capital so please

Tax Reform now!

Accounting Reform

Coalition against Informality

E-Payment and e-commerce and E-SMEs

Better working more SME focused Banking sector

New EU style Insurance sector



SME and Labor Market

Open and flexible labor market

Register Employees as Employees

Reduce social contribution to 10% shared

Towards a Funded Capital Based Pension System

Individual Entrepreneur Tax Status just below 30

flexibility of labor market – openness is key



SMEs and Mobility

Follow the Berlin Process for Balkan on
Interconnectivity and Inter-Operability

Follow EU Road Safety Directive

Ensure major Motorway construction project

Build and facilitate EU Ukrainian joint border crossings

Modern Road pricing and management

Integrated, reliable logistic concepts



Tourism – National Priority for Ukraine on way to EU

Tourism brings prosperity and employment in all regions of Ukraine and all society

Tourism fosters a new service and hospitality culture and makes a countries more open

Tourism attracts FDI – Foreign Exchange and part of country marketing and branding

Tourism is first step to SME entrepreneurship



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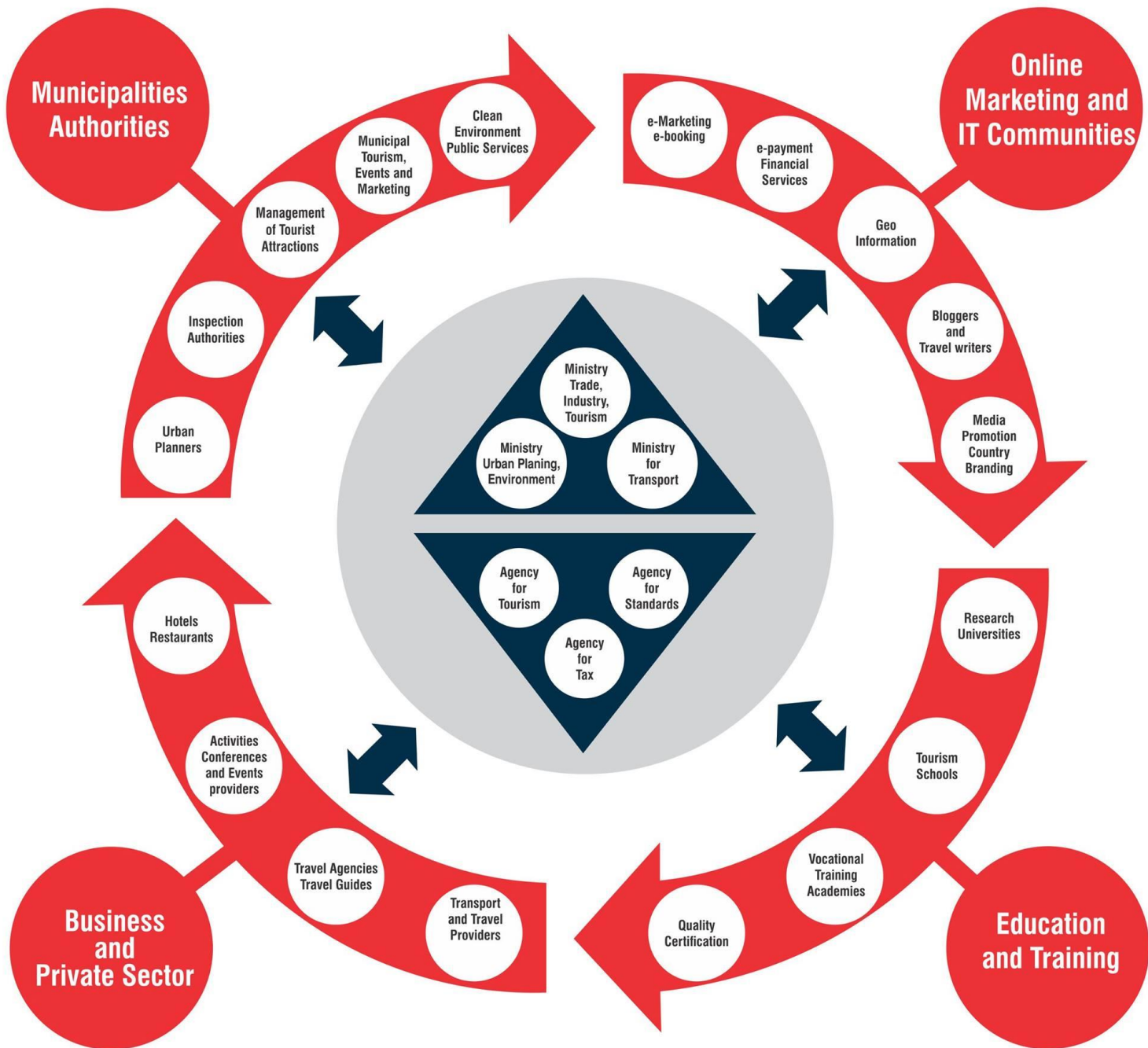
Austrian Model for Ukraine Tourism Sector

Clarity in tasks and responsibilities

Integrated – Holistic Approach

Public Authorities strongly committed to
SME and Tourism as driver of regional
prosperity – Austrian Western Region now
affluent and successful with Tourism

All stakeholders united !!!





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Ukrainian – European EU SME Week

- All State Ministries Agencies POEs by PM order
- All Regions, Municipalities
- All SME Stakeholders, Business Associations
- All SME service providers, consultants, Notary
- All SMEs and PSD Donors
- All international organization in Ukraine
- All EU level umbrella Organisations
- All EU neighbors & partners & friends
- All civil society and media and public



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SME Strategic Approach

- Culture
- Mountains
- Sport
- Family
- Winter
- Medical
- Events
- Summer
- City
- Education
- Corporate
- Wine
- Diaspora
- Congress

Well segmented
Clear targets
But allow for SME
To choice their markets
A SME market based
Approach

But prepare the with strategic bilateral
Thematic Initiative
Like Austria and Cultural Heritage

- Albania
- Macedonia
- Montenegro
- Germany
- Austria
- Switzerland
- USA
- Canada
- Australia
- UK
- Serbia
- Turkey
- Italy
- Belgium
- Sweden
- Israel
- China
- India

AUSTRIAN UKRAINIAN DAYS 2016

REDISCOVERING OUR COMMON PAST AS FIRM FUNDAMENT
OF OUR JOINT FUTURE IN EU





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Vienna – Kiev 2020 European Twins and Partner

Vienna with 1,8 Million People

Vienna 2005 - 8,7 Million overnight stays

Vienna 2015 – 14,3 Million overnight stays

Golden Byzantine Kiev –Cool Kiev

Architectural Heritage –Vibrant Culture

A Magnet for European & Global Tourism
like Vienna

SME and Tourism and the Future of Bila Tserkva



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- Kiev – a major European City 80 km with 4 Million consumers
- What is the city famous for? What makes it special?
- Cultural Heritage, Churches, History, Museums, Heroes ...
- Who to develop the brand?
- Develop the product...hotels, services, activities....
- Soft infrastructure – stakeholders consensus – united?
- Hard Infrastructure – Railways- Highways –Parking- Attractions –Airport – Cargo – Budget-Airline –Reality Check
- Think all year round in culture, churches, congresses, concerts
- One clear pre planned cycle of events happening every year
- Partnering with European cities one in each EU and Candidate States target 40...make them love this beautiful town of yours ..
- 200.000 citizens – 200.000 consumers – 200.000 Opportunities



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Key principles for SME policy

- Openness to opportunity
- Decentralization of the Economy
- Regional Development along EU lines
- New Focus on Competitiveness
- Support for SMEs – in regional development as in EU – no subsidies to companies like in EU
- Transparency and Anti –Corruption
- Fight against informality- incentives for Formality
- Competition policy like in EU now
- Cooperation with EU accession countries
- European Standards for BSP Services
- **Tourism as a central sector for all this!**

Openness creates prosperity

Join the common effort for SME



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UEAPME
The Voice of
SMEs in Europe

UKRAINIAN EUROPEAN EU SME WEEK

JOBS GROWTH PROSPERITY VIA SMEs

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*European SME Ukraine 2020
The most competitive,
open and free country in Europe
European and Ukrainian Side
Tourism as a central driver of Change
Based on Austrian Tourism Model*