



**EUROPEAN COMMISSION**  
DIRECTORATE GENERAL V  
EMPLOYMENT, INDUSTRIAL RELATIONS AND SOCIAL AFFAIRS

The Acting Director-General

DGV - DEPART

23.12.94 027049

Brussels, 16 December 1994  
AC/hjl/bailey

**Mrs. Sheila Bailey**  
**Enterprise Training and**  
**Development**  
**The Grey Tower**  
**Ballasalla**  
**Isle of Man IM9 3DT**  
**United Kingdom**

Dear Mrs. Bailey,

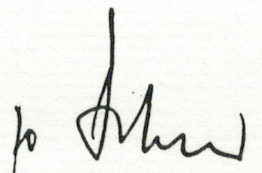
Thank you for your letter concerning your small business project, and your kind remarks. It is true that we are devoting much of our resources to dealing with the problem of unemployment, which is a priority issue for us.

I believe that your project can serve as a lesson for other similar projects in other Member States of the Union. The Commission is convinced that support for the SME sector is crucial to resolving the unemployment and employment problem. As you remark, much of the potential for employment creation on the part of small businesses is lost because they do not survive. Part of our task, therefore, is to help them to survive and grow.

Unfortunately, I regret to inform you that the Commission does not grant funds directly to private companies for this kind of project. Support from the Structural Funds is channelled through the Member States, and subsidies for innovative projects in the employment field cannot be granted to private companies.

I would, however, like to find some solution to your problem, if possible. I would like to invite you to contact Mr. L. Fina, Director of Employment and Labour Market Directorate (telephone : (32)2/2962645) who can arrange for you to come to Brussels to discuss your project with his colleagues.

I hope this can lead to a positive outcome.

  
Hywel C. JONES