

<p>N°13 Improving the effectiveness of European Union policies for small and medium-sized enterprises (own initiative opinion) EESC 2016/3121 - INT/787 527th Plenary Session – July 2017 Rapporteur: Ms Milena ANGELOVA (GRI-BG) DG GROW – Commissioner BIENKOWSKA</p>	
<p>Points of the European Economic and Social Committee opinion considered essential</p>	<p>European Commission position</p>
<p>1.2. The European Economic and Social Committee suggests changing the “one size fits all” approach and better marketing of small and medium-sized enterprise policies.</p>	<p>Commission programmes supporting small and medium-sized enterprises take into account their different needs. As an example, the European Union's Programme for Small and Medium-sized Enterprises (COSME) financial instruments, specifically the Loan Guarantee Facility, provides an overall framework for action. National and regional financial intermediaries are free to set up the products for small and medium-sized enterprises taking into account the local specificities within the overall framework. The European Fund for Strategic Investments' dedicated SME ("small and medium-sized enterprise") window is equally flexible to support all ranges of small and medium-sized enterprises through intermediary banks and funds.</p> <p>The Commission with all concerned stakeholders have a key role promoting small and medium-sized enterprise policies. For example, the Network of SME ("small and medium-sized enterprise") Envoys promotes the implementation of small and medium-sized enterprise policy across the European Union.</p>

<p>1.3., 1.4., 1.7.3., 1.7.4. The European Economic and Social Committee recommends simplifying support programme rules and disseminating information on them.</p>	<p>The Commission is strongly committed to the simplification of the support programmes starting from the financial rules³⁴. Specific measures have been or are being taken for simplifying the participation rules of the main funding programmes³⁵.</p> <p>The Commission disseminates information on the available programmes for small and medium-sized enterprises, in particular via the Enterprise Europe Network. The Network organisations also help small and medium-sized enterprises to participate in Horizon2020 projects by organising information events and small and medium-sized enterprise partner searches for collaborative projects.</p> <p>Regarding the Investment Plan for Europe and the opportunities it provides for small and medium-sized enterprises, the Commission is leading an unprecedented communication effort in cooperation with the European Investment Bank Group.</p>
<p>1.5. and 1.6. The European Economic and Social Committee suggests monitoring the implementation of European Union support measures and of the Small Business Act.</p>	<p>The Commission runs the SME ("small and medium-sized enterprise") Performance Review to monitor and assess the implementation of the Small Business Act principles in Member States. This review is done on an annual basis. The main country-specific findings are summed up in the Small Business Act country fact sheets. They also feed into the European Semester process including the country reports and the country specific</p>

³⁴ http://ec.europa.eu/budget/mff/simplification/index_en.cfm

³⁵ See as an example Horizon 2020: <http://ec.europa.eu/research/index.cfm?&na=na-280217&pg=newsalert&year=2017>

	<p>recommendations.</p> <p>The European Union support programmes are submitted to mid-term or interim/final and/or ex-post evaluations. As an example, the interim evaluation of the COSME Programme is currently ongoing.</p>
<p>1.7.1., 1.7.2., 3.2., 3.3. The European Economic and Social Committee proposes that the definition of a small and medium-sized enterprise should be revised to take into account the different types of small and medium-sized enterprises.</p>	<p>The current Definition of a small and medium-sized enterprise as defined in European Union recommendation 2003/361/EC³⁶ does not prevent the set-up of specific support measures for the different types of small and medium-sized enterprises (micro companies, social companies etc.).</p> <p>Since the adoption of the Definition, three evaluations of its implementation have been carried out (the latest in 2012). Results showed no need for major revision or change of ceilings.</p> <p>A review of the definition (including a public consultation launched on 6 February 2018) is ongoing (http://ec.europa.eu/info/law/better-regulation/initiatives/ares-2017-2868537_en).</p>
<p>2.1. and following, 3.4.9.1., 3.6.1. Burden simplification (including implementation of the Think Small First principle and small and medium-sized enterprise test.</p>	<p>Several measures have been taken to alleviate the administrative and legislative burden for small and medium-sized enterprises:</p> <ul style="list-style-type: none"> - the implementation of the 'Think Small First' principle is supported at European and national level in the policy making process and in designing small and medium-sized enterprise support initiatives; - the small and medium-sized enterprise

³⁶ Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (Text with EEA relevance) (notified under document number C(2003) 1422), OJ L 124, 20.5.2003.

	<p>Test is included in the Commission impact assessment³⁷, and the Commission strongly encourages European Union countries to systematically apply it also at national level;</p> <p>- the fitness check and the REFIT Programme are ongoing³⁸. The REFIT Platform involves all the relevant stakeholders in the exercise.</p>
<p>3.4.4. and 3.6.4. The European Economic and Social Committee recommends facilitating small and medium-sized enterprise access to finance.</p>	<p>For the period 2014-2020, a range of financial instruments have been set up in different programmes. Financial instruments are available under the COSME and Horizon 2020 programmes and provide mostly loan (counter-) guarantees (and venture capital).</p> <p>The European Fund for Strategic Investments, an essential part of the Investment Plan for Europe launched by President Juncker, finances strategic projects across the European Union in infrastructure, and a substantial part of it targets small and medium-sized enterprises to give a boost to the real economy. As of February 2018, some 589 000 small and medium-sized enterprises are expected to benefit across the European Union. Considering its success, the European Fund for Strategic Investments was extended until 2020, with an investment target increased from EUR 315 billion to EUR 500 billion and a larger share of the guarantee geared towards small and</p>

³⁷ https://ec.europa.eu/growth/smes/business-friendly-environment/small-business-act/sme-test_en

³⁸ https://ec.europa.eu/info/law/law-making-process/overview-law-making-process/evaluating-and-improving-existing-laws/reducing-burdens-and-simplifying-law/refit-making-eu-law-simpler-and-less-costly_en

	<p>medium-sized enterprises.</p> <p>The European Portal on Access to European Union Finance³⁹ aims to increase awareness of European Union financing support to small and medium-sized enterprises. It helps European small and medium-sized enterprises in accessing information on European Union sources of finance available in their country. Moreover, tailored advice on access to finance is provided by the Enterprise Europe Network regional offices across the European Union.</p> <p>Finally, the Capital Markets Union initiative aims at improving the financing of the European Union economy by developing and integrating capital markets. The main objective is to reduce small and medium-sized enterprises' high dependence on bank financing by fostering the development of alternative sources of finance.</p>
<p>3.4.9.2. and 3.6.2. The European Economic and Social Committee considers that entrepreneurship should be more effectively promoted.</p>	<p>Several initiatives have been taken to promote entrepreneurship, for example:</p> <ul style="list-style-type: none"> - the Commission is encouraging European Union countries to include entrepreneurship in the education curriculum of students, also by offering supporting tools such as the Entrepreneurship Competence Framework (EntreComp)⁴⁰, HEInnovate⁴¹ and the European Entrepreneurship Education Network (EE-HUB)⁴²; - the programme Erasmus for Young Entrepreneurs, aiming at promoting

³⁹ www.access2finance.eu

⁴⁰ <https://ec.europa.eu/jrc/en/entrecomp>

⁴¹ <https://heinnovate.eu/en>

⁴² <http://www.ee-hub.eu/>

	<p>entrepreneurship and creating of new businesses via the exchange of experiences and matching of new and experienced entrepreneurs, has already reached about 5 800 exchanges;</p> <ul style="list-style-type: none"> - a proposal to harmonise restructuring and second chance frameworks in European Union countries was adopted by the Commission in November 2016; - specific initiatives are addressing the needs of specific target groups, for example women entrepreneurs, social enterprises, or opportunities for entrepreneurs in the sharing economy.
<p>3.4.9.3., 3.6.3. and 3.6.6. The European Economic and Social Committee recommends improving access to markets and internationalisation and support networks.</p>	<p>The support to small and medium-sized enterprises at European Union level are complementary to those provided by the Member States, regions (via Trade promotion agencies) and other local players like Chambers of Commerce.</p> <p>As an example, the Enterprise Europe Network has 600+ partner organisations in 63 countries helping small and medium-sized enterprises to develop their activities outside their home country with international brokerage and matchmaking event and company missions. On a yearly basis, the network provides services to about 250 000 small and medium-sized enterprises, including specialised advisory services to some 70 000 small and medium-sized enterprises. About 25 000 small and medium-sized enterprises participate in matchmaking events resulting in more than 2 500 signed international partnership agreements.</p> <p>Other activities include the small and medium-sized enterprise IPR ("Intellectual Property Rights")</p>

	helpdesks in third countries, Your Europe Business Portal, cluster internationalisation programmes and a Market Access Database.
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