

Are the smalls the real engines of growth and jobs in Europe?

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Directorate-General for Enterprise and Industry

DG ENTR Goal



Competitiveness

**Internal
market for
goods**

**Industrial
policy**

**SME
policy**

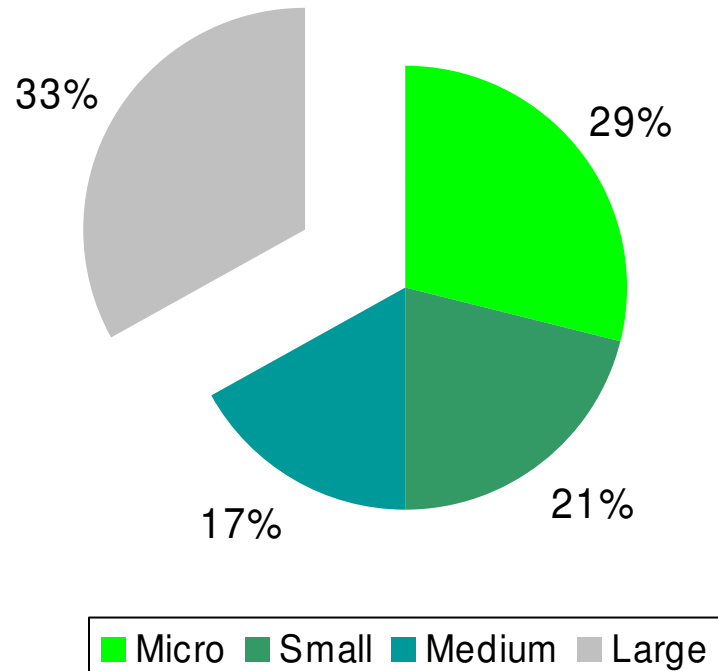
**Innovation
policy**

**Better
regulation**

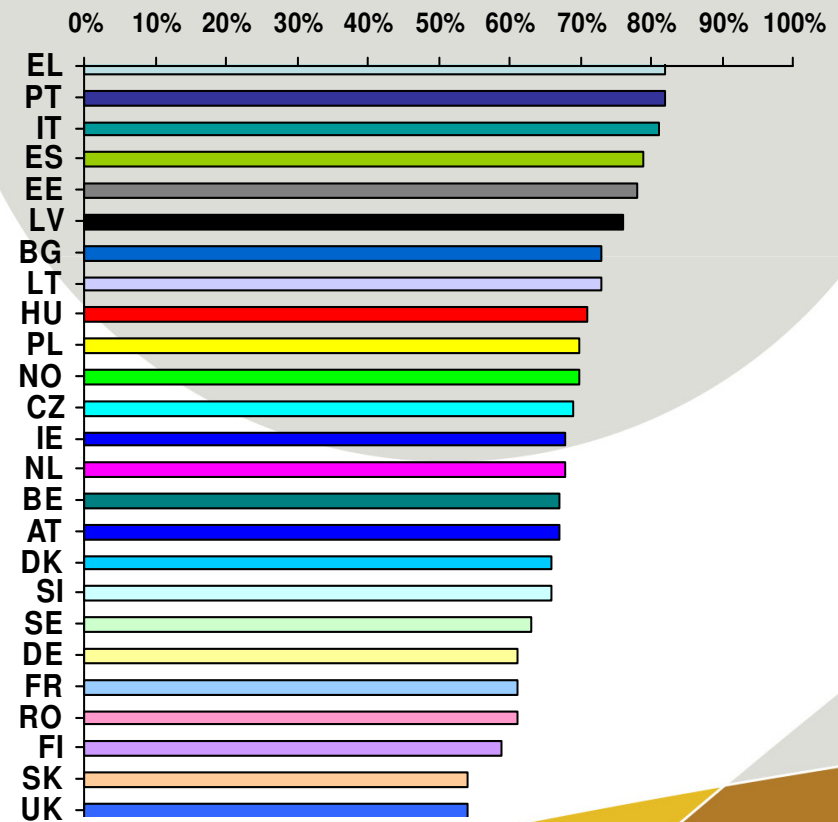
Spending programmes

Why SMEs are important?

Share of private employment



SME employment share



Role of the European Commission

SBA

- **Coordination of Member States actions:**
 - **SME issues in the Lisbon Agenda**
 - **SME Performance Review**
 - **Best Projects - Good Practice exchange**
- **Better regulation: SME dimension**
- **SME supporting measures:**
 - **EEN Network**
 - **CIP/Financial Instruments**
 - **Supporting programmes such as FP7**

What is the SBA?

- **A set of politically binding principles**
- **A package of concrete measures (legislative and non-legislative)**
- **An implementation mechanism embedded in the Lisbon strategy**

in order to

- 1. Improve the overall policy approach to entrepreneurship**
- 2. Irreversibly anchor the “Think Small First” principle in policy-making**
- 3. Promote SMEs’ growth by helping them tackle the remaining problems**

10 politically binding principles

- 1. Create an environment for entrepreneurs and family businesses to thrive and entrepreneurship to be rewarded**
- 2. Ensure that honest entrepreneurs who have faced bankruptcy quickly get a second Chance**
- 3. Design rules according to the “Think Small First” principle**
- 4. Make public administrations responsive to SMEs’ needs**
- 5. Facilitate SMEs’ participation in Public Procurement and better use State Aid possibilities for SMEs**

10 politically binding principles (ctd.)

- 6. Facilitate SMEs' access to finance and support timely payments in commercial transactions**
- 7. Help SMEs to benefit more from the opportunities offered by the Single Market**
- 8. Promote the upgrading of skills in SMEs and all forms of innovation**
- 9. Enable SMEs to turn environmental challenges into opportunities**
- 10. Encourage and support SMEs to benefit from the growth of markets**

Legislative measures

- General Block Exemption Regulation on State Aids (GBER)
- Regulation providing for a Statute for a European Private Company (SPE)
- Directive on reduced VAT rates (locally supplied services)

As part of the SBA will also be prepared:

- A legislative proposal to simplify rules on VAT invoicing
- An amendment to the Late Payments Directive

Examples of non legislative measures

- **“SME test” to analyse impact of legislation on SMEs and specific measures for SMEs**
- **Code of best practices on SMEs access to Public Procurement**
- **“Erasmus” for young entrepreneurs and for apprentices**
- **Easier access to finance: EIB funds for mezzanine finance and micro-credit**
- **Cluster strategy and lead market initiative**
- **E-skills & career portal**
- **SMEs access to transnational research**

Implementation mechanism

- **Update of the Lisbon cycle planned for end 2008:
SBA part of National Reform Programmes**
 - **Regular assessment made by the Commission of the
progress made at EU and national level**
- European Council to adopt SBA and commit to
actions at December 2008 Summit**

EEN - Enterprise Europe Network

- **EU Network offering high quality services to the benefit of SMEs**

- **Organizing business cooperation across borders**
- **Help accessing EU projects and funding**
- **Advising on EU legislation, standards and intellectual property rights**
- **Assist SMEs in raising their innovative capacities**
- **Support to going international**
- **Collecting SME feedback to legislative initiatives**

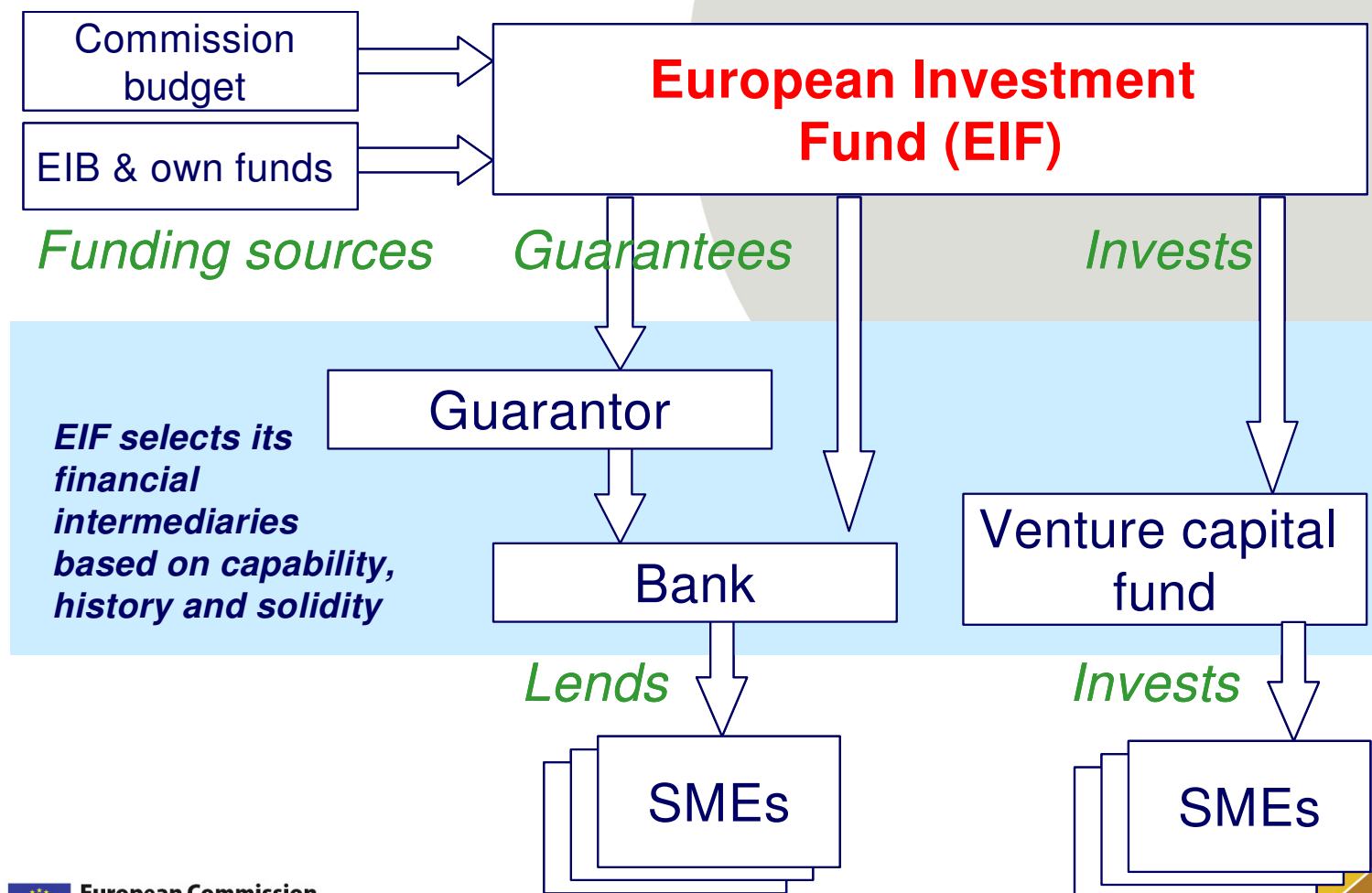
➔ **The broadest range of tailored services for SMEs in the EU and beyond**



Business Support at Your Doorstep

- ✓ **more than 500 regional organisations**
- ✓ **more than 4.000 experienced professionals**
- ✓ **active in 40 European countries**

CIP: Financial Instruments



Framework Programme for Research and Development 2007 - 2013

- **Main programme**
 - **9 themes such as *food, agriculture and biotechnology, life science, IT, security***
 - **Budget €58 billion: 15% for SMEs**
 - **Level of co-financing increased --) 75%**
 - **Simplification measures**
- **Research for the benefit of SMEs**
 - **Budget €1.3 billion**
 - **For SMEs with no research facilities**

Structural funds 2007 - 2013

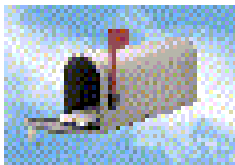
- **350 billion Euro for the 2007-2013 period**
 - **Structural funds**
 - **Cohesion fund**
 - **Rural development fund and Fisheries fund**
- **Decentralised management of programmes**
- **From 50% to 85 % co-financing, e.g.:**
 - **tourism, environment,**
 - **training, entrepreneurship support,**
 - **financing schemes, incubators**
 - **individual business investments**

EU innovation strategy for SMEs

- **CIP**
 - **Financial instruments**
 - **Eco-innovation pilot and market replication projects**
 - **Europe Innova**
- **Development of lead markets**
- **Support to clusters**

Info & Contacts

- SME Portal
http://ec.europa.eu/enterprise/sme/index_en.htm
- SBA
http://ec.europa.eu/enterprise/entrepreneurship/sba_en.htm
- Enterprise Europe Network
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm
- Entrepreneurship
http://ec.europa.eu/enterprise/sme/promoting_en.htm
- Enterprise and Industry Directorate General
http://ec.europa.eu/enterprise/index_en.htm



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