

A strong European policy to support Small and Medium-sized enterprises (SMEs) and entrepreneurs 2015-2020

Public consultation on the Small Business Act (SBA)

Fields marked with * are mandatory.

Introduction & background

Since its adoption in 2008, the Small Business Act (SBA) has proven its worth as a policy tool in support of the small and medium enterprises (SMEs). Various initiatives have been taken at both EU and national level to improve the environment in which these businesses operate and help them grow.

It is now time to reflect on what can be done in the years that lie ahead to make life easier for SMEs.

The Commission has drafted a consultation document including the on-going measures and the new proposals (see the link below).

This consultation is designed to collect feedback on the new initiatives set out in the consultation document.

Please read it before you complete the questionnaire.

[Consultation document](#)

1 - About you

1.1 - Are you replying as/on behalf of:*

- ☐ An EU citizen
- ☐ An individual company
- ☐ A national business organization
- ☒ A European business organization
- ☐ A national authority
- ☐ A regional authority
- ☐ Other

1.1b Are you registered on the Transparency Register?*

- ☒ Yes
☐ No

1.2 - Please give your name/ the name of the company/organization/authority*

European Association of the Machine Tool Industries (CECIMO)

1.3 - Please give your e-mail address

information@cecimo.eu

1.4 - Your country*

- ☐ Austria
☒ Belgium
☐ Bulgaria
☐ Cyprus
☐ Czech Republic
☐ Denmark
☐ Estonia
☐ Finland
☐ France
☐ Germany
☐ Greece
☐ Hungary
☐ Ireland
☐ Italy
☐ Croatia
☐ Latvia
☐ Lithuania
☐ Luxembourg
☐ Malta
☐ Netherlands
☐ Poland
☐ Portugal
☐ Romania
☐ Slovakia
☐ Slovenia
☐ Spain
☐ Sweden
☐ United Kingdom
☐ Other

1.5 - How do you want your contribution to appear on the Commission's website?*

- ☒ **Under the name supplied** (I consent to the publication of all information in my contribution, and I declare that none of it is subject to any copyright restrictions that would prevent publication.)
- ☐ **Anonymously** (I consent to the publication of all information in my contribution except my name/the name of my organisation, and I declare that none of it is subject to any copyright restrictions that would prevent publication.)
- ☐ **I do not want my contribution to appear - please keep it confidential** (It will not be published, but used internally within the Commission.)

2 - Reducing the administrative burden

2.1 How important is a new EU regulation on regulatory simplification, designed to ensure the following in all EU countries?

	Very important	Important	Less important	Not important at all
Setting up a company at a maximum cost of €100 & within 3 days*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Obtaining the licenses needed within 1 month*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Making the application of the "SME Test" or an equivalent system mandatory in all EU countries*	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Ensuring that national laws provide for a discharge within 3 years at most for entrepreneurs who have gone bankrupt*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

2.2 - An EU-wide campaign to cut red tape for SMEs is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

2.3 - Explore the possibility of lowering the transaction costs/fees for SMEs to facilitate their access to industrial and intellectual property is *

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

2.4 - Improving consultation at an early stage of SMEs (and the organizations representing them) about burdensome legislation, focusing on implementation procedures at EU and national level, is *

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

2.5 - Encouraging EU countries to simplify tax procedures for new companies in their start-up phase to reduce administrative burdens and help them develop faster is *

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

2.6 - Identifying and addressing bottlenecks in national legislation which impede SMEs to grow is *

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

2.7 Any further suggestions or comments?

1,500 character(s) maximum

We draw the attention of the European Commission to the need to improve evidence-based regulation making in the EU, especially in the area of environmental and energy legislation. CECIMO has serious concerns as regards the selection of consultants who carry out the preparatory and impact assessment work under the Ecodesign Directive as well as their level of competence and knowledge of product groups that they investigate. Standards and procedures should be developed to validate the competence of consultants upfront. Their work has a significant impact on European industries as these consultants advise the European Commission as regards the necessity of regulating a product group (or not) under the Ecodesign Directive by looking at the impact of the product group on energy consumption in the EU (as well as social and economic impacts). Any erroneous information originated from consultants' reports risk jeopardizing effective decision-making and creating excessive administrative and regulatory burden on industry. This situation risks creating serious consequences for competitiveness, innovation, growth and jobs in the EU's manufacturing industry. The ways to reduce an administrative burden for SMEs can be identified as follows: total, partial or temporal exemptions of small businesses from regulation, simplified rules, special information and assistance, electronic services and a privileged treatment of small businesses by public administrations.

3 - Access to finance

3.1 - Strengthening the venture capital market in Europe (through legislation and by other means), so as to attract private institutional investors back to the markets, is*

- ☐ Very useful
- ☒ Useful
- ☐ Not very useful
- ☐ Not useful at all

3.2 - Mobilising all the funds allocated to the financial instruments under COSME so that at least 220 000 SMEs in the EU benefit from improved access to finance (EU-supported venture capital funds, guarantees and counter-guarantees) is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

3.3 How important are the following initiatives in developing alternative sources of finance?

	Very important	Important	Less important	Not important at all
Removing obstacles to crowd-funding & raising awareness about its risks and benefits and how SMEs can access it (through information, events, forums for those potentially interested, etc.) [*]	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Further developing & spreading mezzanine financing (hybrid, i.e. debt/equity, form of financing) by sharing best practices & setting up discussion forums on the subject [*]	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Disseminating good practices in the field of supply chain finance through awareness-raising activities [*]	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3.4 - Helping to revive EU securitisation markets through appropriate legislation is^{*}

- ☐ Very useful
- ☒ Useful
- ☐ Not very useful
- ☐ Not useful at all

3.5 - Increase cooperation with financial institutions to raise awareness of EU financial instruments for SMEs by signing agreements with relevant EU and national associations is^{*}

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

3.6 Any further suggestions or comments?

1,500 character(s) maximum

CECIMO supports the idea to improve alternative financing opportunities for the SMEs. For instance, the mini-bond scheme gives to institutional investors the opportunity to invest in the production system. The access of users of advanced manufacturing technologies to finance is crucial for the constant modernization of the EU industrial base. New investments in production equipment lead to higher productivity, to product innovation and to new value added services in industry. However, banks are prudent to finance SMEs' investments in capital equipment given the negative balance sheets dated from the past years which is actually result of low levels of economic activity in Europe. Moreover, banks lack an understanding of equipment and technologies as well as their impact on manufacturing businesses in Europe. SMEs, on their end, need to improve their skills in drafting business proposals when they apply for bank credits. The following actions could be useful to overcome this situation and restore lending to the real economy: 1) improving the knowledge within banks of the manufacturing industry and their business potential; 2) improving the SMEs capacity to draft successful business proposals which accompany credit applications; 3) identifying financial institutions which have strong sectoral knowledge and competence across Europe, create a network/database that SMEs can use to search potential financiers for their investments.

4 - Promoting market access for SMEs

4.1 How important are the following initiatives in improving access to the EU single market for SMEs?

	Very important	Important	Less important	Not important at all
Upgrading the Enterprise Europe Network by developing local cooperation with SMEs stakeholders & providing new services*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Setting up a European Resource Efficiency Excellence Centre to inform & advise SMEs & provide support on this field*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping some 100 less-advanced cluster organizations to develop customised support services for SMEs through twinning schemes with advanced cluster organizations - by 2020*	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

4.2 Developing an integrated Commission strategy to help SMEs do business outside the EU (to increase the percentage of such firms up to 20% by 2020)*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

4.2a How important are the following proposals, which could be included in the Commission's strategy to help SMEs do business outside the EU?

	Very important	Important	Less important	Not important at all
Providing added value & complementing the national & regional assistance provided by defining the geographic scope of measures clearly*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Strengthening links between various EU support programmes & initiatives (EEN, IPR Helpdesk, EU SME Centres, etc.)*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Showcasing successful EU SMEs operating on global markets & increasing awareness among SMEs of EU-financed initiatives in this field*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging SMEs to expand business outside the EU through Missions for Growth & cooperation within international clusters*	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Supporting an international environment that is more conducive to doing business for SMEs by establishing & following up SME dialogues with key EU trade partners*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4.3 Exploring the option of targeting policy measures on mid-range companies (firms with over 249 employees) to help them expand their international business is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

4.4 Any further suggestions or comments?

1,500 character(s) maximum

Market access has a high priority for the sector as 80% of European machine tool production is exported and more than 50% of the shipments are destined outside the EU. European machine tools builders are concentrated on advanced technologies where conflicts in product and trade standards can constitute a serious impediment to enter the market. The European trade policy should concentrate on non-tariff barriers. CECIMO considers that it is essential to increase transparency in the NTBs and to move towards systematic abolition of such barriers. The machine tool markets have been drastically globalized over the past few years as consumption has shifted from Europe to other parts of the world. This pushes SMEs to open up to international markets to follow their customers and to integrate into global supply chains to optimize their operations and costs. However, due to size limitations, European SMEs lack financial, human resources and organisational capacity to manage risks in large foreign markets. Market intelligence, legal support and business advice are important for a successful process of internationalisation. Although some large European MS's effective networks operate in emerging countries and support SMEs, this is not valid for MS with fewer resources. Lastly we would also draw attention to the fact that manufacturing companies come from the larger end of SMEs. Therefore CECIMO supports the policy measures targeting also medium size companies.

5 - Releasing entrepreneurial & innovation potential for growth

5.1 - Scaling up the "Erasmus for Young Entrepreneurs Programme" from 800 to 10 000

exchanges a year by 2020 is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.2 - An EU-wide Early Warning Platform for stakeholders and experts to provide counselling to business in difficulties and help viable companies surmount the crisis, save jobs and avoid bankruptcy is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.3 - Setting targets for all EU countries to integrate entrepreneurship into secondary school curricula as a key subject by 2018 is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.4 - Ensuring that the on-line platform for women entrepreneurs (to be launched in 2015) becomes a recognised and used one-stop shop involving local, national & EU stakeholders is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.5 - Consulting entrepreneurs throughout Europe to collect ideas for new initiatives to promote entrepreneurship and youth start-ups is*

- ☒ Very useful
- ☐ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.6 - Supporting EU countries and regions to develop models for start-up and growth centres and promoting these models is*

- ☐ Very useful
- ☒ Useful
- ☐ Not very useful
- ☐ Not useful at all

5.7 How important are the following initiatives in facilitating the transfer of business?

	Very important	Important	Less important	Not important at all
Urging EU countries to put in place national action plans on business transfers and have a one-stop shop on transfer or a transfer of business element in existing one-stop shops by 2017*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Developing and spreading "Quality Standards" for online markets for business transfers & encouraging the linkages between already existing cross-border matching platforms*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Facilitating EU-wide networking to encourage exchanges between researchers & practitioners; setting up a European Mentors Network for Transfers*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supporting an EU-wide matching platform for universities/business schools focusing on business transfer*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.8 How important are the following measures in supporting the Commission's new clusters strategy?

	Very important	Important	Less important	Not important at all
Promoting and supporting business management innovative models, also through initiatives aimed at developing new managerial skills for SMEs*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bringing together cluster policy-makers in a European Cluster Growth Policy Platform, to share policy experience & develop a shared methodology for cluster policy*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Setting up a regular dialogue on emerging industries with SME communities and business support & clusters practitioners	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.9 Any further suggestions or comments?

1,500 character(s) maximum

Important aspect to be considered is lack of national incentive to implement sustainable business models. Innovation is a valid component here and can thereby trigger demand for advanced manufacturing technologies. CECIMO has previously communicated that EU has to create a better environment supporting new start-ups in information and communication technologies (ICT) and ICT-supported manufacturing sectors as a source of innovation. Compared to the US, entrepreneurship in advanced technologies is disappearing in Europe, whereas the US has managed to create the right entrepreneurial framework for ICT companies. Concerning intellectual property (IP), many SMEs often can't see the benefit of securing IPs, and they find IP management procedures too administrative and time-consuming. On the other hand, doing international business without IPR is not sustainable. EU should develop a better functioning IP mechanism supporting specific needs of SMEs. Lastly, compared to North America, the EU is lagging far behind in the competition of attracting highly-skilled workforce around the world, which hampers the EU's competitiveness as international mobility is closely associated with entrepreneurship and innovation.

6 - Boosting skills development

6.1 How important is to launch a Commission initiative, comprising employment, education & enterprise dimensions, to overcome the shortage of skilled labour by promoting the following measures?

	Very important	Important	Less important	Not important at all
Training schemes for skilled workers directly involving SMEs from the concerned sector*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A dual system in vocational training*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A better image of skilled crafts & technical jobs in SMEs*	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.2 Any further suggestions or comments?

1,500 character(s) maximum

CECIMO underlines that schools at primary, secondary and tertiary levels should attract more students from various backgrounds to STEM (science, technology, engineering, mathematics) courses to keep the competitiveness European manufacturing SMEs. The duration of studying STEM courses should be shortened to fasten the participation of young people in the labour market and to provide them with practical skills needed. Many manufacturing SMEs state that vocational education and university graduates are not immediately employable and they need to go through long, time- and money-consuming training processes in companies before they can start executing tasks independently as the education curricula are largely theoretical and disconnected from the industrial reality. It is of utmost importance to make learning at work a part of the education system, alongside classroom-based education. Promotion of the exchange of supervisors and professors between SMEs and education institutes is also needed to foster a better understanding of effective labour market policies. CECIMO applauds that the European Commission has named manufacturing and engineering as a sector with skill imbalance in the Erasmus+ Sector Skills Alliance Program but funding opportunities remain insufficient to plan and implement various large-scale projects across Europe.

Contact

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