

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*

Zentralverband des Deutschen Handwerks (ZDH) / German Confederation of Skilled Crafts

1.3 - Please give your e-mail address

wentzlaff@zdh.de

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- ☐ **I do not want my contribution to appear - please keep it confidential** (It will not be published, but used internally within the Commission.)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 type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Obtaining the licenses needed within 1 month*	<input type="radio"/>	<input checked="" 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 checked="" type="radio"/>	<input type="radio"/>	<input 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 type="radio"/>	<input checked="" 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

To 2.1.1: The sheer number of start-ups and acquisition endeavours cannot be the benchmark of the success of economic policies. A high self-employment rate is only a characteristic of a developing national economy. It is more important to establish a start-up climate and a start-up culture that will create sustainable successful companies being capable of and seeking training, on the basis of high basic qualifications and solid entrepreneurial concepts. Therefore, an essential element is both the professional and the entrepreneurial qualifications of the founders.

To 2.1.4: Shortening the discharge of residual debt for a period of three years presents a privileged treatment of the debtor at the creditor's expense. A proceeding of second chance should specifically only be given to individuals worth supporting. A second chance can only be given to honest founders of a new business who got insolvent through no fault of one's own.

Far more serious, however, than the direct discrimination of the creditor is the political signal that presumes a debt cut after three years. On the one hand, payment practice becomes foreseeable and has a sustained negative impact. On the other hand, such a fast debt cut being without requests almost invites to encourage risk-taking for investments and other business acts as time and financial consequences in case of insolvency are predictable and can be withstood without heavy losses.

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 checked="" type="radio"/>	<input 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 checked="" type="radio"/>	<input type="radio"/>	<input 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

A basic requirement for growth in Europe is to facilitate access to finance for SMEs. This is true particularly in the case of smaller companies that have significantly more financial difficulties due to systematic and size-related disadvantages than bigger companies. A stronger capital market orientation of company financing fails to address reality for the majority of SMEs. Generally, it is too complex, too expensive and connected with standards that are too high. A one-sided focus on risk capital would limit the possibilities of growth of SMEs. Therefore, a broad mix of financial instruments is necessary which includes tried and tested tools like guarantees and mezzanine financial products. A one-sided focus on risk-capital would unnecessarily limit the possibilities of economic growth of SMEs.

Furthermore, the German three pillar model of the banking industry has to be preserved and promoted. The so-called house bank principle has proven to be the supporting pillar of the middle class, especially during the financial crisis.

Moreover, a stimulation of securitisation markets is only reasonable when financial institutions use the created opportunities for lending credit to SMEs.

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 type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Setting up a European Resource Efficiency Excellence Centre to inform & advise SMEs & provide support on this field*	<input type="radio"/>	<input checked="" 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 checked="" type="radio"/>	<input 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 type="radio"/>	<input checked="" 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 checked="" type="radio"/>	<input 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

To 4.1.1: The activity of EEN must be seen as a reasonable and important supplement to the services already offered by the Chambers. The EU-Commission should counteract the fear of an excessive EU bureaucracy with a convinced manner, mostly as the EEN is limited to its basic activity as advisor network and does not receive further services. Duplication with consultancies provided from single points of contact should be avoided.

To 4.3: The objective should be rather to support the fast growing SMEs and less to change the definition of European SMEs. On the contrary a separate policy (e.g. to internationalize) mid cap companies should be aspired, as already laid down in the funding program Horizon 2020. This could lead to reasonable funding conditions for traditional SME as well as for mid caps. It is advised against an intermediary category for mid-caps in the European SME-definition, since the requirements for SME (above all for small enterprises) is not comparable with those of mid-caps.

To 4.2a: Obligations in the free trade agreement for more transparency can help SME to assess assessment export markets better and to avoid business risks. Thus particular chapters should be included in free trade agreements that oblige the contracting parties to provide comprehensive information on rules and procedures for the export of merchandises or the provision of services on-site. In this way important impulses can be set for medium-sized skilled crafts.

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 type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Facilitating EU-wide networking to encourage exchanges between researchers & practitioners; setting up a European Mentors Network for Transfers *	<input type="radio"/>	<input checked="" 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 type="radio"/>	<input checked="" 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 type="radio"/>	<input checked="" 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 type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

5.9 Any further suggestions or comments?

1,500 character(s) maximum

Most of the presented concepts only make sense to a certain extent (in skilled crafts national platforms are useful). The applications are likely to be less beneficial to SMEs, but rather to consulting and funding institutions. The structured information exchange could however help that examples of best practice developed at a national level can be more easily applied to other member countries.

To 5.2: In skilled crafts a national Early Warning Platform would make more sense, but a collection of best practices is appreciated, particularly for SME consultants.

To 5.3. The EU-Commission already defines very important focus areas in its action plan 'Entrepreneurship 2020', such as the inclusion of economic topics into the syllabus of the member countries, in particular the key competence entrepreneurship. Aspects such as 'education for entrepreneurship' and 'vocational schools/vocational training' should be given more attention in Europe. A stronger link to the topics 'entrepreneurship and vocational training/work based learning' is of equal importance. The cross-cutting nature of the entrepreneurship also requires a coordinated approach. This refers above all to the public administration at all EU-levels. A better collaboration with the entrepreneurs is necessary in order to identify the crucial factors to strengthen the entrepreneurship.

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 type="radio"/>	<input type="radio"/>	<input checked="" 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

The importance of VET needs to be strengthened all over Europe and should be established as an equivalent pillar of general knowledge and university education. For this purpose however, a better image, more practical elements and also the permeability to university should be created. Therefore a stronger involvement of companies and Chambers as a self-regulatory body of the economy is a prerequisite for the EU-wide upgrading and improvement vocational training quality. ZDH supports stronger cooperation in vocational training. Many countries in Europe are keen to adopt elements of the dual training system. Dual vocational training should be encouraged as an example of best practice and should be promoted and supported throughout Europe.

Greater use of Structural Funds would enable the principles of dual training to be successfully transferred. ERDF and ESF promote job creation. EU Council's employment initiative is also a good start. In addition, increased use must be made of existing funds for measures to help adolescents and young adults.

The Member States should promote the mobility of the self-employed and of employees. The EU's Directive on the recognition of professional qualifications would play an important role here by facilitating the mutual recognition of professional qualifications. Its fundamental principle is that professional profiles should be comparable without being standardised. It must not be jeopardized by legislative proposals or COM initiatives.

Contact

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