

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 Games Developer Federation (EGDF), 57235487137-80

1.3 - Please give your e-mail address

jari-pekka.kaleva@egdf.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- ☐ **I do not want my contribution to appear - please keep it confidential** (It will not be published, but used internally within the Commission.)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 checked="" 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 checked="" type="radio"/>	<input 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

EGDF strongly supports the proposed actions. Furthermore, in addition to addressing the bottlenecks in the national legislation, more legal co-ordination is needed on the European level to secure that European regulatory framework for digital single market area stays coherent. Currently there is, for example, an increasing tension between VAT regulation, data protection regulation and consumer protection regulation each build from a different legal tradition without a clear overview.

Consequently, the Commission should significantly increase the co-ordination of different DG's while drafting a new regulation and strongly encourage member states to secure that the way they are implementing the regulation is coherent. For this reason bodies like the VAT committee, Consumer Protection Co-Operation Network and the Article 29 Working Party (or the proposed European Data Protection Board) should always discuss the major changes in the implementation of regulation in each member state. Furthermore much stronger dialogue is needed between these bodies in order to bridge the gap between different regulatory approaches.

In addition, the Commission should translate all key national implementation guidelines from member states in the key policy areas in English and collect all that information to a single website.

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

EGDF strongly supports all efforts to make donation-based crowd-funding for SME's accepted in all member states. Therefore, on the European level, the VAT practices related to the donation-based crowd-funding should be harmonized as soon as possible. However, as crowd-funding is becoming more a marketing tool than a funding tool, it should be seen just as an additional financing tool; not as a primary source of funding for SME's.

More innovative the financial instruments get (e.g. mezzanine financing) more difficult it will be for many entrepreneurs to evaluate the risks associated with them. Therefore (and as banks are in general hesitant to implement loan guarantee schemes) the Commission should focus on mainstreaming already well-working soft-loan schemes. The Finnish soft-loan schemes for SME's run by Tekes, for example, provides low interest rates and a possibility to transfer a part of the loan to a grant if needed making it highly interesting for SME's.

Furthermore, EGDF is worried that EU-supported venture capital funds will not reach SMEs operating in emerging industries. Usually successful investments in a certain industry sector require specific industry expertise. For many emerging sectors, that kind of expertise is not yet available.

For aforementioned reasons the innovative financial instruments will have only a limited effect. Thus true risk-taking pushing the boundaries of technological, content and business innovation is still best enabled by grants.

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

The success of European game developer studios has been based on the low barriers of entry to the global digital markets. Unfortunately, due to quickly fragmenting VAT, data protection and consumer protection practices in different countries globally, the global digital markets are quickly becoming more and more difficult for European SME's to operate in. As digital markets are by their nature global, not regional, EGDF sees it to be crucial that European Union tries to minimise the fragmentation of the digital markets by pushing European standards in these policy areas on global level. For example, a similar system for VAT reporting as MOSS is needed on global level, not just on the European level.

Furthermore, the Commission should use its vast embassy network all over the World to track the changes in regulation targeting digital markets and build up a clear, constantly updated and easy to understand consolidated summary for SME's about the current regulatory requirements in different countries.

EGDF strongly encourages all member states to increase co-operation in providing support for export missions targeted for specific industry sectors. Only if national embassies specialize in different industry sectors in a co-ordinated manner, European actors can effectively cover all the key industry sectors. At the moment, all member states are trying to cover all sectors often leading to poor results.

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 type="radio"/>	<input checked="" 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 type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Supporting an EU-wide matching platform for universities/business schools focusing on business transfer*	<input type="radio"/>	<input type="radio"/>	<input checked="" 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 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

EGDF reminds the commission about the fact that most of the emerging industries are based on the skills and knowledge of the passionate hobbyists. The base of the flourishing European games industry, for example, is in the passionate young people who participate in game development clubs and summer camps or demoparties. Similarly, the emerging European 3D printing and drone industries are in the hands on passionate young hobbyists experimenting with these technologies.

Therefore, the best way to promote the entrepreneurial skills is not to focus on the entrepreneurship itself, but to build up passion on the creation of new and innovative digital goods and services.

Entrepreneurial skills alone are not enough, as one always needs a field to use them. Consequently, instead of just focusing on introducing entrepreneurship in school curricula, the Commission should push the introduction of coding in the school curricula and using the coding skills to create something (e.g. games, mobile applications or robots) and monetising it.

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 checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
A dual system in vocational training*	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
A better image of skilled crafts & technical jobs in SMEs*	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

6.2 Any further suggestions or comments?

1,500 character(s) maximum

In addition to formal education, EGDF underlines the key role of non-formal education in skill development. As aforementioned, most of the emerging industries are based on the skills and knowledge of the passionate hobbyists. The base of the flourishing European games industry, for example, is in the passionate young people who participate in game development clubs and summer camps or demoparties. Similarly, the emerging European 3D printing and drone industries are in the hands on passionate young hobbyists experimenting with these technologies.

Thus the commission should strongly encourage member states to invest more on enabling game development, and experimentation with technologies from other emerging industries, as a hobby among young people through the youth work.

Furthermore, the games industry is a global industry and the success of European companies is based on their ability to recruit the leading talents of this planet to Europe. Consequently, the commission should do all it can to simplify the immigration requirements for non-European talents, they being job seekers, employees or co-founders of companies. Far too often very expensive consulting agencies are needed to take care of the immigration bureaucracy making it impossible for many start-up teams to get leading talents in their teams.

Contact

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