

# 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 Forum of Independent Professionals (EFIP)

1.3 - Please give your e-mail address

marco.torregrossa@efip.org

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- I do not want my contribution to appear - please keep it confidential** (It will not be published, but used internally within the Commission.)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

Representing the smallest businesses and the fastest growing segment of the European labour market, EFIP believes the EU must give special consideration to how regulations will affect independent professionals and the self-employed (IPros) who are exceptionally vulnerable to the burdens of bureaucracy due to their very small size and limited human and financial resources. Specifically the EU should:

- Take into account the differences between micro, small and medium-sized enterprises when applying the SME Test, and envisage reduced fees or simplified reporting obligations for IPros.
- Consult with IPros representatives before introducing regulation and fiscal regimes, create specific performance indicators and carry out post-implementation impact assessments estimating the costs and burden on independent working.
- Create a central portal (possibly integrated in the EEN contact points) where all national legislation impacting IPros is visible.
- Allow IPros to be represented within the EU institutions by a dedicated Envoy (like the SMEs Envoy) who should act as a conduit for their voice in the EU and make recommendations to simplify legislation for them, including the enforcement of national implementing measures.
- Move forward with the establishment of a new High Level Group on better regulation under the responsibility of the responsible EC Vice-President, paying specific attention to how legislation affects IPros.

## 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 checked="" type="radio"/> | <input 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*

Many EU financial instruments mainly target start-ups or SMEs rather than independent professionals and the self-employed (IPros). Most of COSME private capital schemes focus on credit to address the financial needs of small businesses. However, loans and repayments may only worsen their challenges in the context of financial volatility and periodic income fluctuation that they experience. Against this backdrop, the EU should:

- Ensure that in EU funded schemes there are metrics to track “work” outside formal employment, instead of merely measuring “jobs” to gauge the strength of the economy, so that IPros are not disadvantaged.
- Especially where there is no need for large sums of capital to buy equipment, develop small grants up to 5k making the EU Progress Microfinance Facility accessible to people who want to become self-employed.
- Link pre-start financial support with post-start support by developing services to offer business coaching, e.g. by assisting to develop and implement a business plan.
- Make sure financial instruments are followed by low-interest bank loans, with a government guarantee, which will better suit the IPros’ need for capital and can promote the transition from unemployment into self-employment.
- Remove onerous bidding requirements (e.g. asking for large liability insurance and capitalisation requirements) to enable consortia of IPros to form subcontracting arrangements and access EU funding from which they are often excluded.

## 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 checked="" 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 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 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 type="radio"/> | <input checked="" 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*

Independent professionals and the self-employed (IPros) often struggle to learn and comply with national fiscal duties and EU regulations in the internal market. Unlike larger SMEs, IPros cannot afford penalties from a single mistake. Uncertainty often keeps them out of markets, rather than risk costly enforcement. To improve market access, national laws should shift from the enforcement of penalties for one time infractions to investing into training programs for compliance. Against this backdrop, the EU should:

- Set up in every Member State one-stop-shops for people who desire to become self-employed, bringing together all business support services e.g. mentoring, coaching, access to incubators and accelerators and support for early internationalisation.
- Give clear guidance to education / training providers, the EEN and the EURES staff on how to actively point job-seekers towards becoming self-employed.
- Follow up with the European Semester on Member States' progress towards general simplification of legislation on market access for micro businesses.
- Improve network infrastructures such as access to broadband, reliable mobile reception, cloud computing and co-working spaces, to enable peer-to-peer businesses and IPros to both become and be self-employed.
- Recognise that IPros should be able to compete for work and not be subject to restraint by any public organisation as a result of not having employees or a company status.

## 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 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 type="radio"/>            | <input checked="" 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*

The EU should encourage self-employment as a flexible, innovative and entrepreneurial way of working that enables businesses to perform more cost-effectively, especially when recovering from the recession.

Independent professionals and the self-employed (IPros) typically represent a new model of entrepreneurs. They can start trading immediately without infrastructures, large capital, a business plan and often learn business skills progressively. Entrepreneurship services including the Erasmus for Young Entrepreneurs need to reflect these requirements by creating support that is relevant to this more informal and fastest growing segment of the labour market in the EU.

The challenge for many IPros is to carry out an in-depth analysis of their own business and identify improvements. The real need is specialist advice, one-to-one coaching and personalised mentoring tailored to the individual entrepreneur, which could be offered through a virtual platform and a European network of mentors. Innovation vouchers - which already exist in some Member States for SMEs - may allow IPros to buy innovative consulting services and should become more widespread.

In the review of the Entrepreneurship 2020 Action Plan, the EU should promote private schemes where IPros could team up with other IPros to pool their talents, bid on larger projects, so they can compete more effectively with larger firms and offer a broader range of services than they would be able to offer individually.

## 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 checked="" type="radio"/> | <input type="radio"/>            | <input type="radio"/> |
| A better image of skilled crafts & technical jobs in SMEs*                              | <input type="radio"/> | <input type="radio"/>            | <input checked="" type="radio"/> | <input type="radio"/> |

## 6.2 Any further suggestions or comments?

*1,500 character(s) maximum*

Training for micro-business creation should be factored in local economic development plans in the EU, making full use of the Structural Funds, above all the ESF. Most current workforce development programs focus on job training and placement, whereas they should expand their scope to include the opportunities of becoming self-employed, above all to the unemployed and underemployed. The EU should:

- Ensure self-employment is on the curriculum at secondary level schools so that students can decide whether to enter traditional employment or work for themselves.
- Ensure careers advice recognises self-employment as an option within further education and at university level and not only be limited to those studying specific courses on business and management.
- Create a business-led self-employed mentoring scheme in co-working spaces with the EEN operating a single portal with details of mentor companies.
- Provide targeted advice about self-employment with EURES and other employment agencies to graduates, working mothers and the recently retired.
- Support a certification/accreditation scheme for self-employed as to provide market advantage, rather than an exclusive right to practice.
- Create training programs to help self-employed handling their finances holistically, cultivating diverse revenue streams and managing periodic income volatility.
- Strengthen the European Alliance for Apprenticeships to foster the exchange of good practices in EU countries.

## Contact

✉ [entr-sba@ec.europa.eu](mailto:entr-sba@ec.europa.eu)

---