

Proposal for Spring Congress

Proposal
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Status: accepted rejected transferred to _____

The Spring Congress may decide:

1 **Standing behind our SMEs**

2 *Stressing that:*

- 3 • SMEs are affected by EU legislation in various fields, such as competition (Articles 101 to
4 109 TFEU), taxation (Articles 110 to 113 TFEU) and company law (right of establishment
5 – Articles 49 to 54 TFEU).

6 *Noting that:*

- 7 • The existing 23 million SMEs represent 99% of all business in the EU;
8 • In the past five years, they have created around 85% of new jobs and provided two-thirds
9 of the total private sector employment in the EU;
10 • The SMEs are particularly a well-known source of entrepreneurship within the European
11 economy, which is the foundation to ensure economic growth, innovation, job creation
12 and social integration in the EU;
13 • After the economic crisis, as reported by the SME Envoy Network, there has been a
14 strong recuperation and an increase in production and occupation in the SME sector, but
15 that they are still losing export potential due to the existing cross-border barriers within
16 the EU;
17 • The current SME Instrument will not exist under the next Multiannual Financial
18 Framework (2021-2027).

19 *Considering that:*

- 20 • The survey carried out to evaluate the performance of the Small Business Act (2008) as
21 the overarching framework acknowledges the need for a renewed strategy for SMEs with
22 a special focus on the five priority areas identified by the SME Envoy Network;
23 • The administrative and legislative burden remains the top concern for stakeholders;
24 • Access to finance remains difficult despite the actions taken both at the EU and member
25 states' level;
26 • Six Member States still generated SME value added in 2017 which was still below their
27 respective levels of 2008;
28 • The SME Instrument was particularly useful because it was self-beneficiary for the
29 participating company.

30 LYMEC welcomes:

- 31 • The European Commission's decision to include a similar program to the SME Instrument
32 under the European Innovation Council for incremental innovation, called the accelerator
33 programme, which will help SMEs to grow through grants with no budgetary limit;
34 • The SBA and the Commission's intention to work for the continuous improvement of the
35 framework conditions for SMEs in the single market, as expressed in the "Towards a
36 Single Market Act – For a highly competitive social market economy" (COM(2010) 0608)
37 and the "Single Market Act II (COM(2012) 0573);
38 • The European Parliament's proposal that 70% of the European Innovation Council will be
39 reserved to SMEs and start-ups.

40 LYMEC urges:

- 41 • The EU to take steps to remove cross-border barriers within its frontiers to facilitate the
42 export of products and services by SMEs, paying special attention to administrative and
43 legislative burdens;
44 • The EU to make a more efficient use of the existing instruments, particularly of COSME
45 financial instruments;
46 • The EU to keep on improving access to new markets and the internationalisation of SMEs
47 as an opportunity to grow, increase revenue and gain business experience, since
48 currently only 20% of SME exports go outside the Single Market;
49 • To create synergies between existing programmes to promote "early stage"
50 entrepreneurship, entrepreneurship education and support youth start-ups and SMEs;
51 • The EU to address the issue of the lack of skills in SMEs, especially when it comes to the
52 growing digitalisation of the economy and the spread of new technologies;
53 • To take into account the energy transition, which has to be fair and sustainable and be
54 carried out in a proportional manner, for what the SMEs need to prepare themselves
55 beforehand. In this regard, an incentives scheme would be a policy to consider;
56 • The EU to go beyond research funding and innovation funding programmes and consider
57 the unification of EU's fewer requirements or reduced fees policies for administrative
58 compliance across member states;
59 • The EU to provide appropriate assistance to the SMEs in order to help them keep their
60 commercial relations with the UK in light of the possibility of a so-called hard BREXIT.
61 • The member states to create similar national support programmes that could create
62 synergies with the new EU funding programmes, respecting the principle of subsidiarity
63 and avoiding unnecessary bureaucracy;
64 • The LYMEC Bureau to forward this resolution to the ALDE Party and to the ALDE
65 Council;
66 • The LYMEC member organisations and member contacts in the EU member states and
67 applicant states to pressure their mother parties and other politicians to achieve the aims
68 of this resolution.

Attention: This is a preview! The official text is printed in the proposal book for Spring Congress 05. - 07. April 2019.