Programme for the competitiveness of enterprises and SMEs, COSME 2014-2020

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Ministers held a policy debate on the main actions in support of European small and medium-sized enterprises (SMEs). They took stock of developments since the establishment of the Small Business Act.

A number of key concrete and priority actions were addressed with a view to reinforcing the growth potential of small companies, **such as the creation of a business-friendly environment in the digital and services single market,** the **simplification of the regulatory framework** for innovative firms and better enforcement of the **Small Business Act**.

Access to finance: during the debate many delegations mentioned **access to finance as one of the most pressing difficulties that SMEs are facing**, and the need to explore and use alternative sources to facilitate greater provision of SME financing, such as capital-risk markets and EU funding instruments such as COSME.

All delegations agreed on the important role played by the services single market in the development of SMEs, but many regretted that the possibilities offered are not yet fully used and called for the **elimination of the unnecessary hurdles that are hampering cross-border transactions between Member States**. This challenge was particularly highlighted in relation to online operations in the context of the development of a digital single market.

Delegations also discussed the need to push on with the digital agenda and for rapid progress in certain areas such as e-commerce. There was a general consensus on the idea that **simplification of administrative practices** and the reduction of regulatory burden, linked to the use of "smart" regulation initiatives, could also promote a favourable environment for EU companies and reduce costs for companies.

Many ministers also asked for a more systematic application of the “Think Small First” principle, which is embedded in the Small Business Act.

Lastly, ministers agreed to improve the monitoring of SME-related policies through the network of SME envoys in Member States, including by inviting them to report to the Competitiveness Council.