Green growth opportunities for SMEs

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The Committee on Industry, Research and Energy adopted the own-initiative report by Philippe DE BACKER (ADLE, BE) on green growth opportunities for SMEs the Commission Communication entitled 'Green Action Plan For SMEs'.

Members **supported the concept of green growth** and circular economy should be part of a wider strategy of promoting job creation and economic growth among SMEs. They called on the Commission to **establish a comprehensive policy framework, including concrete policy objectives** and better integrating and streamlining existing policy tools to ensure opportunities and participation of SMEs in the green and circular economy.

Financing of green initiatives: Members stressed that apart from venture capital, **private investment and credit unions** should be assessed more clearly as alternative financing to classic bank loans. Potential financing opportunities should be explored through the European Fund for Strategic Investments.

Stressing that there was no one-size-fits-all mode of finance, Members called on the Commission to **take into account the interests of SMEs in all existing and possible future programmes**, instruments and initiatives, especially for new business models in the green economy, ranging across equity, quasi-equity and debt instruments, and partnerships between banks and other operators involved in SME financing in order to support businesses in their start-up, growth and transfer phases.

The Commission and the EIB were asked to make sure that in the implementation phase of the ' Investment Plan for Europe' SMEs, including green and innovative ones, would be key beneficiaries of the support provided for under this proposal.

Furthermore, entrepreneurs, SMEs, business associations and support organisations should be more **literate on financing possibilities** for more performing technologies, or for contracting services such as consultancy, coaching and training on eco-design, and availability of green technologies, products and services that could be beneficial for their business

Knowledge management: the report stressed the importance of **knowledge transfers** and multi-stakeholder knowledge sharing, including cross-border, through informal networks, especially for SMEs and microenterprises to **raise awareness of existing and new innovative techniques,** best practices, ways to acquire proper financing, possible government support schemes and the relevant legislative frameworks entailing the least burdensome administration

Members supported the organisation of a **European Resource Efficiency Campaign** to inform SMEs about the benefits and opportunities offered by resource efficiency and how industrial synergies on recycling could be created.

Research, development and innovation, and skills: the report stressed the need to be more effective in developing basic R&D, to fully involve SMEs in this process and to actively support further transformation of basic R&D outcomes into further technological advances for an improved policy framework for the circular economy. Members called for:

- a **more stable regulatory framework and adequate financial schemes** in order to enable economic initiative and entrepreneurship and to limit the time to market of new products, services and business practices, notably in the green economy;
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- promoting the use by SMEs of data derived from European space infrastructures in business nurseries and incubators;
- including as part of the Circular Economy Package the **extension of the eco-design instrument** to include the resource efficiency dimension. Eco-design should address durability, reparability and recyclability of products, including standards for guaranteed minimum lifetime and disassembly.

(De)regulation as an engine for growth: the report called on Member States to avoid creating barriers to the internal market by gold-plating, to review their current regulatory regimes, to remove any superfluous or ineffective regulations which constitute market barriers, and to ensure consistent transposition into national legislation.

The Commission was asked to:

- **refrain from legislative proposals that would lead to an unnecessary administrative burden for businesses** and SMEs and to continuously review existing legislation with the objective of decreasing the current administrative burden;
- **draw up common guidelines** for national public support schemes for green investment projects in order to create a more uniform set of measures.

Miscellaneous support measures: the report several other important challenges, including:

- developing entrepreneurship skills, which should be included in basic and higher education systems, and also be promoted through extra-curricular activities and lifelong learning;
- helping microenterprises and start-ups in moving towards sustainable green growth;
- addressing unsustainable consumption patterns and promoting a change in consumer behaviour;
- speeding up pending trade agreements with our partners so as to facilitate European SMEs' access to new markets;
- fostering female entrepreneurship;
- identifying the sectors of European industry and geographical areas where the conditions are met for the creation of new clusters and hubs.