

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

2011/0394(COD) - 14/10/2019 - Follow-up document

This Commission staff working document accompanies the Commission report on the interim evaluation of the programme for the competitiveness of enterprises and small and medium-sized enterprises (COSME).

This evaluation assesses the relevance, effectiveness, coherence, efficiency and EU added-value of the Programme from 2014 to 2016, with a view to a decision on the renewal, modification or suspension of the measures. It covers the 28 Member States of the European Union and the COSME participating countries.

It also contributed to the preparation of the future programme in the next Multi-annual Financial Framework for the period 2021-2027.

Main findings

- COSME actions are highly relevant in addressing the challenges related to fostering economic growth and creating employment opportunities and is strongly aligned to the evolving needs of SMEs. The programme also addresses in a direct and concrete manner the need of young entrepreneurs to strengthen their entrepreneurship skills. However, this approach limits the possibility of specifically addressing other issues. Its two major actions, LGF and EEN, accounting for about 80% of the total budget committed, target all SMEs without making distinctions to reflect the programme's 'inclusive and sustainable growth' and 'global competitiveness' policy objectives. The two major actions can therefore create only 'unintended' effects in those areas. As a result, the relevance of COSME for policy objectives such as gender mainstreaming or climate change is limited.

- COSME is complementary to other EU policy instruments and programmes supporting business, without significant overlaps. It is the only EU programme designed to support SMEs' competitiveness and growth. It responds to existing needs, because a financing gap continues to exist in Europe, depending on the national context, and information asymmetries, specifically those related to market opportunities in the European Single Market and the global market, continue to require policy intervention for facilitating knowledge transfer and exchange as well as cross-border co-operation.

- Better links between financial instruments and other parts of the future SME programme are needed.
- Better co-ordination between financial instruments and national EU schemes is also called for.
- The report called for a discontinuation of the EUR 150 000 threshold which has a negative impact on the efficient delivery of the guarantee facility and created significant administrative burden.
- COSME in the period 2014-2016 produced positive results. The programme implementation is on track to reach the objectives set out in the legal basis by the end of 2020.
- A more strategic prioritisation of objectives in the design of the work-programmes could be implemented for the remaining years until the end of the programme in 2020. This could help reduce the

fragmentation of the budget. A more centralised approach to data management would ensure higher efficiency in the programme management. It would also pave the way for the creation of the monitoring system for the post-2020 period.

- For the design of the post-2020 period successor to COSME, an ambitious scenario could be proposed in the impact assessment of the successor programme to strengthen the overall effectiveness of the programme. However, considering the potential reduction of the overall EU budget due to the BREXIT and the new challenges the EU has to tackle, (such as Defence and Security), the most realistic option seems to be to better exploit the available budget, and focus on the most successful actions and reserve a budget for new ideas and pilots.

Conclusion

This interim evaluation will pave the way for the final evaluation of COSME that will also feed the detailed design of the first work programmes of the period post 2020. The final evaluation should analyse more in detail the wide variety of COSME actions to provide the Commission with data that will support the strategy to select the actions that will compose the future COSME in the next multi-annual financial framework.