Basic information

2014/2209(INI) INI - Own-initiative procedure	Procedure completed
Green growth opportunities for SMEs **Subject** 3.40.14 Industrial competitiveness 3.45.02 Small and medium-sized enterprises (SME), craft industries 3.70.20 Sustainable development	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	DE BACKER Philippe (ALDE)	23/10/2014
	Shadow rapporteur RÜBIG Paul (PPE) KOFOD Jeppe (S&D) HENKEL Hans-Olaf (ECR) RANSDORF Miloslav (GUE/NGL) BÜTIKOFER Reinhard (Verts/ALE) ZULLO Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	NÍ RIADA Liadh (GUE/NGL)	14/01/2015
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
REGI Regional Development	NICA Dan (S&D)	03/12/2014

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	BIEŃKOWSKA Elżbieta

Key events

Date	Event	Reference	Summary
02/07/2014	Non-legislative basic document published	COM(2014)0440	Summary
17/12/2014	Committee referral announced in Parliament		
14/04/2015	Vote in committee		
28/04/2015	Committee report tabled for plenary	A8-0135/2015	Summary
18/05/2015	Debate in Parliament		
19/05/2015	Decision by Parliament	T8-0198/2015	Summary
19/05/2015	Results of vote in Parliament		
19/05/2015	End of procedure in Parliament		

Technical information

Procedure reference	2014/2209(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/8/02100

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE546.606	10/02/2015	
Amendments tabled in committee		PE549.392	02/03/2015	
Committee opinion	REGI	PE549.130	30/03/2015	
Committee opinion	BUDG	PE546.893	01/04/2015	
Committee report tabled for plenary, single reading		A8-0135/2015	28/04/2015	Summary
Text adopted by Parliament, single reading		T8-0198/2015	19/05/2015	Summary

European Commission

Document type	Reference	Date	Summary

Commission document (COM)	COM(2014)0440	02/07/2014	Summary
Commission response to text adopted in plenary	SP(2015)470	24/09/2015	

Green growth opportunities for SMEs

2014/2209(INI) - 02/07/2014 - Non-legislative basic document

PURPOSE: to propose a Green Action Plan for SMEs.

BACKGROUND: in line with the Europe 2020 Strategy, the EU has the priority to become a sustainable economy and set ambitious objectives for climate action and energy efficiency. The Small Business Act (SBA) highlighted that the EU and Member States **should enable SMEs to turn environmental challenges into opportunities**.

Improving resource efficiency in SMEs offers enormous potential for the reduction of production costs and for productivity gains. A better use of resources is calculated to represent **an overall savings potential of €630 billion per year** for European industry. Too few SMEs in Europe are aware of this potential.

The Green Action Plan aims to contribute to the re-industrialisation of Europe as advocated by the communication "For a European industrial renaissance"and supported by the European Council.

It focuses on European level actions which are designed to fit in with, and reinforce existing "green" initiatives to support SMEs at national and regional levels.

CONTENT: the Green Action Plan (GAP) gives a clear direction and framework for how the EU, in partnership with Member States and regions**, intends to help SMEs exploit the business opportunities that the transition to a green economy offers**. This initiative concretely presents a series of new or revised SME-oriented actions proposed at European level.

The Plan pursues four objectives to:

1) Improve resource efficiency of European SMEs:

- by providing European SMEs with practical information, advice and support on how to improve their resource efficiency in a cost-effective manner;
- by supporting efficient technology transfer mechanisms for green technologies;
- by facilitating the access to finance for resource-related improvements and energy efficiency in SMEs.

2) Support green entrepreneurship:

- by facilitating business partnering, skills and knowledge for green entrepreneurship;
- by supporting all forms of innovation that foster green entrepreneurship;
- by aiding SMEs to explore the scientific or technical feasibility and the commercial potential of ecoinnovative;
- by better exploiting the role of clusters in support of eco-innovative SMEs, notably via the Programme COSME.

3) Exploit the opportunities of greener value chains:

- by addressing systemic barriers to cross-sectoral and cross-national value chain collaboration and business creation and cooperation, by facilitating the creation of service business models and the re-use of materials, products and waste;
- by facilitating cross-sectoral collaboration in view of promoting the circular economy which enhances resource and cost savings by maximising the time that resources, products and components are used.

4) Facilitate market access for green SMEs:

- by developing a joint strategy for internationalisation and encouraging the establishment of European Strategic Cluster Partnerships to access foreign markets;
- by facilitating the uptake of resource efficiency technology in partner countries through cooperation with European SMEs.

The Commission underlined the importance of implementing the Action Plan thoroughly. This requires the full political commitment of both the Commission and the Member States.

The actions linked to this Green Action Plan for SMEs will be regularly monitored.

The **Small Business Act governance mechanism**, and in particular the Network of SME Envoys, will be used to provide a platform to discuss implementation of best practices, results and obstacles.

Green growth opportunities for SMEs

2014/2209(INI) - 28/04/2015 - Committee report tabled for plenary, single reading

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;
- 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.

Green growth opportunities for SMEs

2014/2209(INI) - 19/05/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 519 votes to 93, with 60 abstentions, a resolution on green growth opportunities for SMEs.

SMEs account for more than 98% of Europe's businesses and provide more than 67% of total employment in the Union and 58% of gross value added. **Employment in the environmental goods and services sector** in the years 2007-2011 grew by 20% in spite of the crisis.

Against this background, Parliament **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. It 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.

The EU needs to drastically **change its entrepreneurial culture** in order to contribute to economic growth by having more people starting up their own businesses and seeking more business opportunities, especially in green growth, and by accepting failure and risk-taking. Parliament emphasised the importance of **putting this issue at the centre of policymaking**. Moreover, the Commission should **include green services** in the ongoing negotiations on the Environmental Goods Agreement, as well as in bilateral trade agreements such as the Transatlantic Trade and Investment Partnership (TTIP).

Financing of green initiatives: Parliament 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.

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.

Stressing that there was no one-size-fits-all mode of finance, Parliament 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 should assess the impact of a **tax shift** from labour to natural resource use.

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 resolution 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: Parliament 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. It also noted the benefits which the unitary European patent confers on SMEs, particularly in the field of green technologies.

Stressing the need 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;
- 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: Parliament 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.

Whilst welcoming the Commission decision for withdrawing obsolete or overly burdensome legislative proposals, Members called on the Commission to come forward with a **more ambitious waste legislation proposal**.

Miscellaneous support measures: the resolution included several other important challenges:

- 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.

Lastly, the Commission, **under the umbrella of regional policy**, is called upon to draw up specific programmes which embody all relevant green growth elements for SMEs.