



4.12.2018

OPINION

of the Committee on Industry, Research and Energy

for the Committee on the Internal Market and Consumer Protection

on the proposal for a regulation of the European Parliament and of the Council establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826

(COM(2018)0441 – C8-0254/2018 – 2018/0231(COD))

Rapporteur for opinion (*): Patrizia Toia

(*) Associated committee – Rule 54 of the Rules of Procedure

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SHORT JUSTIFICATION

In recent years, globalisation, the financial crisis and digitisation have taken a heavy toll on European industries and businesses, especially SMEs. Business challenges and opportunities have increased in complexity and the need for innovation has grown far more pressing. This in turn has necessitated EU support for business enterprise, measures to promote technological and organisational transition, access to credit and the provision of funding. It is becoming increasingly urgent create an environment conducive to forward-looking initiatives that can cope with new economic realities and rise to the challenge of an increasingly global market. This can only be achieved if institutions are willing to adopt a collaborative philosophy, pooling their know-how and resources and helping to create a specialised network of support for independent entrepreneurs.

It is also important to select sound business ideas and draw up roadmaps in collaboration with future entrepreneurs seeking a foothold on the new markets. A network of support for business start-ups should be created at regional level in the form of customised training courses and advisory services backed up by highly effective technical assistance strategies.

The rapporteur is therefore pleased to note that the current COSME programme will be continued within the next multiannual financial framework. The European Parliament and in particular its ITRE Committee fully support measures to assist SMEs in the EU, seeking to boost competitiveness by removing market obstacles and facilitating access to finance. To this end, the COSME programme has turned out to be a successful European Union initiative greatly appreciated by SMEs (as confirmed by the Commission's impact assessment). While the rapporteur can understand the need to merge programmes, he is disappointed at the Commission's decision to lump together under a single heading those that are highly disparate in nature, since this significantly reduces the visibility of the COSME initiative and detracts from the substance of the measures to be funded in line with existing legislation.

Consequently, a number of amendments to the Regulation are being put forward in a bid to fill the gaps between the existing and the proposed provisions and to make COSME bigger and better. These include measures to:

- raise the profile of the COSME programme as and where appropriate;
- develop the SME initiatives eligible for funding;
- reintroduce the sustainability concept for SMEs;
- promote the development of business networks, one of the aims being to enable micro-enterprises to compete in the market;
- focus on certain groups such as young entrepreneurs and women that they are in need of additional support to develop a culture of business enterprise;
- support initiatives in sectors such as tourism that have a high proportion of SMEs and make a significant contribution to the Union's GDP.
- increase the programme's budget in line with the European Parliament resolution of 30 May 2018 on 'the 2021-2027 multiannual financial framework and own resources' and impose budget caps on administrative expenditure;
- develop the role of the Enterprise Europe Network as a one-stop shop for support services, while introducing certain minimum network indicators and standards.

The rapporteur wishes to stress the unprecedented pluralism of the modern business world, ranging from unmistakably market-oriented companies to non-profit organisations. The rapporteur therefore wishes for the programme to encompass a number of social economy undertakings that, by their very nature, specifically qualify as SMEs, while being able to reinvent new and original economic and business models. They have proven to be more resilient than traditional businesses thanks to their local roots and the priority given to employment. It is therefore essential to support new business models such as worker buyout schemes (acquisition of a company by its employees), bearing in mind that social economy enterprises are placing the network economy in an entirely new perspective.

It is also important for the programme to include small local public service enterprises that meet SME criteria and at the same time make an important contribution to the community.

The rapporteur considers it necessary to make the legislation regarding SMEs clearer and easier to understand. Several amendments have accordingly been tabled to clarify the procedures followed by the European Commission for the award of grants under the Financial Regulation.

While the proposal examines the conditions of eligibility for third country SMEs, the rapporteur wishes to stress that the programme should focus principally on EU companies, as well as assisting EU-based SMEs seeking a foothold on third-country markets.

The list of proposed programme assessment indicators is too vague and would shed very little light on the effectiveness of COSME. The rapporteur is accordingly seeking the introduction of new indicators that yield valuable information without creating too much red tape.

Finally, it is essential for the programme to dovetail with other SME support measures currently built into the industrial and innovation pillar, especially the InvestEU programme, which encompasses financial instruments for SMEs now included in the COSME programme and the SME Instrument forming part of the Horizon Research Programme.

AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) The internal market is a cornerstone of the Union. Since its inception, it has proved a major contributor to growth,

Amendment

(1) The internal market is a cornerstone of the Union. Since its inception, it has proved a major contributor to growth,

competitiveness and employment. It has generated new opportunities and economies of scale for European businesses, notably micro, small and medium sized enterprises (SMEs), and strengthened their industrial competitiveness. The internal market contributed to the creation of jobs and offered greater choice at lower prices for consumers. It continues to be an engine for building a stronger, more balanced and fairer economy. It is one of the Union's major achievements and its best asset in an increasingly global world.

economic development, prosperity, competitiveness and employment. It has generated new opportunities and economies of scale for European businesses, notably micro, small and medium sized enterprises (SMEs), clusters and enterprise networks and consortium of companies, and strengthened their industrial competitiveness, and has also aimed to create and to reinforce the value chain where businesses are involved in all aspects of the process. The internal market contributed to the creation of jobs and offered greater choice at lower prices for consumers. It continues to be an engine for *ensuring economic growth and for building a sustainable, stronger, more balanced and transparent, inclusive and fairer economy.* It is one of the Union's major achievements and its best asset in an increasingly global world *and a core element in succeeding in the transformation into a resource- and energy efficient sustainable economy.*

Amendment 2

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The internal market has to continuously adapt to a rapidly changing environment of digital revolution and globalisation. A new era of digital innovation *continues* to provide opportunities for businesses and individuals, *creates new* products and business models but equally constitutes a challenge *to* regulation and enforcement.

Amendment

(2) The internal market has to continuously adapt to a rapidly changing environment of digital revolution, *mitigation of climate change* and globalisation. A new era of digital innovation *and new collaborative business models continue* to provide opportunities for businesses, *employees* and individuals, *create new sustainable, more resource and energy efficient* products, *services* and business models but equally constitutes *an opportunity and a challenge for the work force, for business competitiveness and for* regulation and enforcement.

Amendment 3

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Still, barriers to the proper functioning of the internal market remain and the new obstacles emerge. Adopting rules is only a first step, but making them work is as important. This *is* ultimately *a matter of* citizens' trust in the Union, in its capacity to deliver, and ability to create jobs and growth while protecting the public interest.

Amendment

(4) Still, barriers to the proper functioning of the internal market remain and the new obstacles emerge. Adopting rules is only a first step, but making them work is as important. This *means* ultimately *to create a useful conditions to achieve* citizens' trust in the Union, in its capacity to deliver, and *its* ability to create *quality* jobs and *sustainable* growth while protecting the public interest.

Amendment 4

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) Several programmes for Union action exist currently in the fields of competitiveness of enterprises including SMEs, consumer protection, customers and end-users in financial services, policy making in financial services and food chain. Some additional activities are financed directly under the internal market budget lines. It is necessary to streamline and exploit synergies between various actions *and* provide for a more flexible and agile framework to finance activities aiming to achieve a well-functioning internal market *in the most cost-efficient manner*. It is therefore necessary to establish a new programme bringing together activities financed previously under those other programmes and other relevant budget lines. The programme should also include new initiatives which aim to improve the functioning of the internal market.

Amendment

(5) Several programmes for Union action exist currently in the fields of competitiveness of enterprises including SMEs, consumer protection, customers and end-users in financial services, policy making in financial services and food chain. Some additional activities are financed directly under the internal market budget lines. It is necessary to streamline and exploit synergies *and complementarities* between various actions, *creating added value through the improvement of additionality and to* provide for a more flexible and agile framework to finance activities aiming to achieve a well-functioning internal market *that is efficient, , consumers friendly and take into consideration environmental and social aspects*. It is therefore necessary to establish a new programme bringing together activities financed previously under those other programmes and other relevant budget lines. The programme

should also include new initiatives which aim to improve the functioning of the internal market.

Amendment 5

Proposal for a regulation Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) The programme should also consider the Union added value of the various interventions, their efficacy and results, and good practices should be preserved and improved. It should also include new initiatives that aim to improve the functioning of the internal market, enhancing local economic development and intervening where the risk of market failure is very high.

Justification

New initiatives in the field of economic development should be considered in the context of the Programme.

Amendment 6

Proposal for a regulation Recital 7

Text proposed by the Commission

Amendment

(7) It is therefore appropriate to establish a Programme for the internal market, competitiveness of enterprises, ***including*** micro, small and medium-sized enterprises, and European statistics (the 'Programme'). The Programme should be established for the duration of seven years from 2021 to 2027.

(7) It is therefore appropriate to establish a Programme for the internal market, competitiveness ***and sustainability*** of enterprises, ***with particular attention to*** micro, small and medium-sized enterprises, ***clusters, enterprise networks, consortium of companies*** and European statistics (the 'Programme'). The Programme should be established for the duration of seven years from 2021 to 2027.

Amendment 7

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The Programme should support the design, implementation and enforcement of Union legislation underpinning the proper functioning of the internal market. The Programme should support the creation of the right conditions to empower all actors of the internal market: **businesses**, citizens including consumers, civil society and public authorities. To that end, the Programme should aim to ensure the competitiveness of businesses, notably SMEs, but also supporting the enforcement of consumer protection **and** safety rules and by raising the awareness of businesses and individuals by providing them with the right tools, knowledge and competence to make informed decisions and strengthen their participation in Union's policy-making. Furthermore, the Programme should aim to enhance regulatory and administrative cooperation, notably through exchange of best practices, building of knowledge and competence bases, including the use of strategic public procurement. The Programme should also aim to support the development of high-quality international standards that underpin the implementation of Union legislation. This also includes standard setting in the field of financial reporting and audit, thereby contributing to the transparency and well-functioning of the Union's capital markets and to enhancing investor protection. The Programme should support rulemaking and standard setting also by ensuring the broadest possible stakeholder involvement. The objective of the Programme should also be to support the implementation and enforcement of Union legislation providing for a high level of health for humans, animals and plants along the food chain and the improvement

Amendment

(8) The Programme should support the design, implementation and enforcement of Union legislation underpinning the proper functioning **and improvement** of the internal market. The Programme should support the creation of the right conditions to empower all actors of the internal market: **businesses, employees**, citizens including consumers, civil society and public authorities **building on the success of the current programme for competitiveness for Small and Medium Enterprises (COSME)**. To that end, the Programme should aim to ensure the competitiveness of businesses, notably SMEs, but also **by supporting the conditions for quality job creation, local economic development**, the enforcement of **a high level** of consumer protection, safety rules **as well as environmental standards** and by raising the awareness of businesses and individuals by providing them with the right **information**, tools, **training**, knowledge and competence to make informed decisions and strengthen their participation in Union's policy-making. Furthermore, the Programme should aim to enhance regulatory and administrative cooperation, notably through exchange of best practices, building of knowledge and competence bases, including the use of strategic public procurement **and the support to the Digital Knowledge Centres**. The Programme should also aim to support the development of high-quality international standards that underpin the implementation of Union legislation. This also includes standard setting in the field of financial reporting and audit, thereby contributing to the transparency and well-functioning of the Union's capital markets and to enhancing investor protection. The

of the welfare of animals.

Programme should support rulemaking and standard setting also by ensuring the broadest possible stakeholder involvement. The objective of the Programme should also be to support the implementation and enforcement of Union legislation providing for a high level of health for humans, animals and plants along the food chain and the improvement of the welfare of animals.

Amendment 8

Proposal for a regulation

Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Merge of the existing programmes should not lead to a lower clarity and transparency. The European Commission together with Member States should seek to provide accurate and timely information about the programmes and raise awareness among the potential beneficiaries.

Amendment 9

Proposal for a regulation

Recital 9

Text proposed by the Commission

Amendment

(9) A modern internal market promotes competition ***and benefits*** consumers, businesses and employees. Making better use of the ever evolving internal market in services should help European businesses create jobs and grow across borders, offer wider choice of services at better prices, and maintain high standards for consumers and workers. To achieve this, the Programme should contribute to the removal of remaining barriers, and to ensure a regulatory framework that can accommodate new innovative business

(9) A modern internal market promotes competition, ***high quality services for the benefit of*** consumers ***and*** businesses and ***working conditions of*** employees ***.It creates a favourable environment for job creation as well as it ensures a better functioning of high-quality services of general economic interest.*** Making better use of the ever evolving internal market in services should help European businesses create ***quality*** jobs and grow across borders, offer wider choice of services at better prices, and maintain high standards

models.

for consumers and workers. To achieve this, the Programme should contribute to the removal of remaining barriers, and to ensure a regulatory framework that can accommodate new innovative business models ***consistent with a high level of social protection including for entrepreneurs.***

Amendment 10

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) New regulatory and enforcement challenges relate to a rapidly changing environment of the digital revolution, concerning issues such as cybersecurity, internet of things or artificial intelligence. Should damage occur, stringent rules on product safety and liability are essential to ensure a policy response that allows European citizens, including consumers and businesses, to benefit from such rules. The Programme should therefore contribute to the rapid adaptation and enforcement of a Union product liability regime which fosters innovation.

Amendment

(11) New regulatory and enforcement challenges relate to a rapidly changing environment of the digital revolution, concerning issues such as cybersecurity, ***privacy policy and data protection*** internet of things or artificial intelligence ***and related ethical standards. This complex challenge, which is technological, cultural, organisational and social, should be adressed with the support of all sectors and actors concerned.*** Should damage occur, stringent rules on product safety and liability are essential to ensure a policy response that allows European citizens, including consumers and businesses ***to access and*** to benefit from such rules. The Programme should therefore contribute to the rapid adaptation and enforcement of a Union product liability regime which fosters innovation.

Amendment 11

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) Public procurement is used by public authorities to ensure value for public money spent and to contribute to a more

Amendment

(15) Public procurement is used by public authorities to ensure value for public money spent and to contribute to a more

innovative, sustainable, inclusive and competitive internal market. Directive 2014/23/EU of the European Parliament and of the Council⁴⁹, Directive 2014/24/EU of the European Parliament and of the Council⁵⁰ and Directive 2014/25/EU of the European Parliament and of the Council⁵¹ provide the legal framework for the integration and effective functioning of the public procurement markets representing 14% of Union's gross domestic product, to the benefit of public authorities, businesses as well as citizens, including consumers. The Programme should therefore support measures to ensure a wider uptake of strategic public procurement, the professionalisation of public buyers, improved access to procurement markets for SMEs, increase of transparency, integrity and better data, boosting the digital transformation of procurement and promotion of joint procurement, through strengthening a partnership approach with the Member States, improving data gathering and data analysis including through development of dedicated IT tools, supporting exchange of experiences and good practices, providing guidance, pursuing beneficial trade agreements, strengthening cooperation among national authorities and launching pilot projects.

⁴⁹ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts (OJ L 94, 28.3.2014, p. 1).

⁵⁰ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94,

innovative, sustainable, inclusive and competitive internal market. Directive 2014/23/EU of the European Parliament and of the Council⁴⁹, Directive 2014/24/EU of the European Parliament and of the Council⁵⁰ and Directive 2014/25/EU of the European Parliament and of the Council⁵¹ provide the legal framework for the integration and effective functioning of the public procurement markets representing 14% of Union's gross domestic product, to the benefit of public authorities, businesses as well as citizens, including consumers. ***Public authorities, through their procurement policy, can establish and support markets for innovative goods and services.*** The Programme should therefore support measures to ensure a wider uptake of strategic public procurement, ***a more systematic use of environmental, social and fair-trade criteria in awarding contracts*** the professionalisation of public buyers, improved access to procurement markets for SMEs, ***social economy enterprises and business organisations networks***, increase of transparency, integrity and better data, boosting the digital transformation of procurement and promotion of joint procurement, through strengthening a partnership approach with the Member States, improving data gathering and data analysis including through development of dedicated IT tools, supporting exchange of experiences and good practices, providing guidance, pursuing beneficial trade agreements, strengthening cooperation among national authorities and launching pilot projects.

⁴⁹ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts (OJ L 94, 28.3.2014, p. 1).

⁵⁰ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94,

28.3.2014, p. 65).

⁵¹ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

28.3.2014, p. 65).

⁵¹ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

Amendment 12

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The Programme should support the development of the Union regulatory framework in the area of company law and corporate governance, as well as contract law, with a view to make business more efficient and competitive while providing protection for stakeholders affected by company operations, and to react to emerging policy challenges. It should also ensure appropriate evaluation, implementation and enforcement of the relevant acquis, inform and assist stakeholders and promote information exchange in the area. The Programme should further support the Commission's initiatives in favour of a clear and adapted legal framework for the data economy and innovation. Those initiatives are necessary to enhance legal certainty with regard to contractual and extra contractual law, in particular with regard to liability and ethics in the context of emerging technologies, such as internet of things, artificial intelligence, robotics, 3D Printing. The Programme should aim at stimulating the development of data-driven business, as it will be decisive for the position of the Union economy in a global competition.

Amendment

(17) The Programme should support the development of the Union regulatory framework in the area of company law and corporate governance, as well as contract law, with a view to make business more efficient and competitive while providing protection for stakeholders affected by company operations, and to react to emerging policy challenges. It should also ensure appropriate evaluation, implementation and enforcement of the relevant acquis, inform and assist stakeholders and promote information exchange in the area. The Programme should further support the Commission's initiatives in favour of a clear and adapted legal framework for the data economy and innovation. Those initiatives are necessary to enhance legal certainty with regard to contractual and extra contractual law, in particular with regard to liability and ethics in the context of emerging technologies, such as internet of things, artificial intelligence, robotics, 3D Printing. The Programme should aim at stimulating the development of data-driven business ***whilst ensuring a high level of privacy protection***, as it will be decisive for the position of the Union economy in a global competition.

Amendment 13

Proposal for a regulation Recital 22

Text proposed by the Commission

(22) Strengthening the competitiveness of European enterprises while reassuring an effective level playing field and an open and competitive internal market is of outmost importance. SMEs are the engine of the European economy making up 99% of all businesses in Europe, providing two thirds of jobs, and contributing substantially to the creation of new **jobs** with a regional and local dimension.

Amendment

(22) Strengthening the competitiveness **and sustainability** of European enterprises while reassuring an effective level playing field and an open and competitive internal market is of outmost importance. SMEs are the engine of the European economy making up 99% of all businesses in Europe, providing two thirds of jobs, and contributing substantially to the creation of new **quality jobs in all sectors** with a regional and local dimension, **and hence social cohesion**.

SMEs are instrumental in pursuing the energy transition and contributing to the achievement of the Union's climate objectives deriving from the Paris Agreement. The Programme should therefore enhance their capacity to develop environmentally-friendly high quality products and services and support their efforts to increase resource-efficiency, in line with the 'energy efficiency first' principle. In doing so, the Programme also contributes to improve Union SMEs competitiveness on the global market.

Amendment 14

Proposal for a regulation Recital 23

Text proposed by the Commission

(23) SMEs share common challenges that do not affect larger firms to the same extent to obtain finance, to find skilled work force, to alleviate administrative burden, to take-up creativity and innovation, to access markets and foster internationalisation activities. The

Amendment

(23) SMEs share common challenges that do not affect larger firms to the same extent to obtain finance, to find skilled work force, to alleviate administrative burden, to take-up creativity and innovation, to access markets, and foster internationalisation activities. The

Programme should address such market failures proportionally, while not unduly distorting competition in the internal market.

Programme should address such market failures proportionally, while not unduly distorting competition in the internal market. ***The programme should in particular create appropriate conditions to introduce technological and organisational innovation in the production processes, paying attention to specific forms of SMEs such as micro enterprises, enterprises engaged in craft activities, the self-employed, the liberal professions and social economy enterprises. Attention should also be paid to potential, new, young and female entrepreneurs, as well as to other specific target groups, such as older people, migrants and entrepreneurs belonging to socially disadvantaged or vulnerable groups such as persons with disabilities.***

Amendment 15

Proposal for a regulation Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) The programme should support and promote a culture of innovation, developing an ecosystem capable of encouraging business start-ups and nurturing their growth, focusing on micro-enterprises and innovative SMEs able to meet the challenges of an increasingly competitive and fast-moving environment. Radically new innovation processes require the development of an open innovation model with an increase in collaborative research and the sharing of knowledge and intellectual property between different organisations. The programme should accordingly seek to support the innovation process by incorporating new collaborative business models, focusing on networking and the sharing of knowledge and resources within inter-organisational communities.

Justification

It is important to develop an ecosystem of innovation which could be an economic catalyser. Development of innovation ecosystems acting as economic catalysers.

Amendment 16

Proposal for a regulation

Recital 23 b (new)

Text proposed by the Commission

Amendment

(23b) The Programme should address such market failures proportionally, paying special attention to actions that benefit directly SMEs and enterprise networks, and while not unduly distorting competition in the internal market.

Justification

The Programme should take into account SMEs and enterprise networks in all its activities.

Amendment 17

Proposal for a regulation

Recital 24

Text proposed by the Commission

Amendment

(24) Many of the Union's competitiveness problems involve SMEs' difficulties in obtaining access to finance because they struggle to demonstrate their credit-worthiness and have insufficient collateral. Additional financing challenges arise from SMEs' need to stay competitive by engaging e.g. in digitization, internationalization and innovation activities and skilling up their workforce. Limited access to finance has a negative effect on businesses creation, growth and survival rates, as well as on the readiness of new entrepreneurs to take over viable companies in the context of a business

(24) Many of the Union's competitiveness problems involve SMEs' difficulties in obtaining access to finance because they ***lack information***, struggle to demonstrate their credit-worthiness and have insufficient collateral ***or simply due to low awareness of existing mechanism to support their activities at EU, national or local level***. Additional financing challenges arise from ***the smaller size of micro-enterprises and*** SMEs' need to stay competitive by engaging e.g. in digitization, internationalization and innovation activities and skilling up their workforce. Limited access to finance has a negative effect on businesses creation,

succession.

growth and survival rates, as well as on the readiness of new entrepreneurs to take over viable companies in the context of a business succession.

Amendment 18

Proposal for a regulation

Recital 25

Text proposed by the Commission

(25) To overcome these market failures and to ensure that SMEs continue to play their role as the foundation for the Union economy's competitiveness, small and medium sized enterprises need extra support through debt and equity instruments to be established under the SME window of the InvestEU Fund established by Regulation [...] of the European Parliament and of the Council⁵². The loan guarantee facility put in place under Regulation (EU) No 1287/2013 of the European Parliament and of the Council⁵³ has a proven added value and is expected to bring a positive contribution to at least 500 000 SMEs; a successor will be established under the SME window of the InvestEU Fund.

⁵² COM(2018) 439 final

⁵³ Regulation (EU) No 1287/2013 of the European Parliament and of the Council of

Amendment

(25) To overcome these market failures and to ensure that SMEs continue to play their role as the foundation for the Union economy's competitiveness, ***and driver for a sustainable economy***, small and medium sized enterprises need extra support through debt and equity instruments to be established under the SME window of the InvestEU Fund established by Regulation [...] of the European Parliament and of the Council⁵². The loan guarantee facility put in place under Regulation (EU) No 1287/2013 of the European Parliament and of the Council⁵³ has a proven added value and is expected to bring a positive contribution to at least 500 000 SMEs; a successor will be established under the SME window of the InvestEU Fund. ***More attention should be paid to better communication and public campaigns in order to increase awareness to potential beneficiaries of the availability of the programme for SME. To raise the awareness of Union's actions supporting SMEs, actions that are wholly or partially funded by this programme, including intermediaries, should incorporate the European emblem (flag) associated to a sentence acknowledging the support received by the COSME programme.***

⁵² COM(2018) 439 final

⁵³ Regulation (EU) No 1287/2013 of the European Parliament and of the Council of

11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC (OJ L 347 of 20.12.2013, p. 33).

11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC (OJ L 347 of 20.12.2013, p. 33).

Amendment 19

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) The policy objectives of this Programme will be also addressed through financial instruments and budgetary guarantee under the SME window of the InvestEU Fund. Financial support should be used to address market failures or sub-optimal investment situations, in a proportionate manner and actions should not duplicate or crowd out private financing or distort competition in the internal market. Actions should have a clear European added value.

Amendment

(26) The policy objectives of this Programme will be also addressed through financial instruments and budgetary guarantee under the SME window of the InvestEU Fund. ***The SME window of the InvestEU Fund should have a central overarching point providing information about the programme in each Member State, in order to increase the accessibility and awareness of the funds for SMEs.*** Financial support should be used to address market failures or sub-optimal investment situations, in a proportionate manner and actions should not duplicate or crowd out private financing or distort competition in the internal market, ***and should clearly offer additionality and enhancing synergies with other European programmes.*** Actions should have a clear European added value.

Amendment 20

Proposal for a regulation

Recital 26 a (new)

Text proposed by the Commission

Amendment

(26a) The actions supported by the InvestEU Fund through the EU compartment or the Member States compartment should not duplicate or replace private funding, or distort

competition in the internal market, but, with reference to the local public and private guarantee schemes already operating, should facilitate their integration with such schemes, the overriding objective being to enhance and extend the actual benefits to final recipients (the SMEs identified by the definition set out in Recommendation 2003/361/EC) in order to achieve genuine additionality of the measures.

Amendment 21

Proposal for a regulation Recital 26b (new)

Text proposed by the Commission

Amendment

(26b) Besides access to finance also access to skills is crucial, including managerial skills and knowledge are critical factors for SMEs to access existing funds, innovate, compete and grow. The delivery of financial instruments as envisaged under EUInvest should therefore be accompanied by the development of appropriate mentoring, coaching schemes and delivery of knowledge-based business services.

Amendment 22

Proposal for a regulation Recital 27

Text proposed by the Commission

Amendment

(27) The Programme should provide effective support for SMEs throughout their life-cycle. It should build on the unique knowledge and expertise developed with regard to SMEs and *industrial* sectors and on a long experience in working with European, national and regional stakeholders. This support should build on the *successful* experience of the Enterprise

(27) The Programme should provide effective support for SMEs throughout their life-cycle, *providing assistance ranging from project preparation through to commercialisation and access to the market, and encouraging the creation of business enterprise networks*. It should build on the unique knowledge and expertise developed with regard to SMEs

Europe Network as a one-stop-shop to improve SMEs competitiveness and develop their business in the Single Market and beyond. The Network plans to continue delivering services on behalf of other Union programmes, notably for the Horizon2020 programme, using the financial resources of these programmes. Also the mentoring scheme for new entrepreneurs should remain the tool to enable new or aspiring entrepreneurs to gain business experience by matching with an experienced entrepreneur from another country and thus allow strengthening entrepreneurial talents. The Programme should **further strive to** grow and extend its geographical coverage and thus offer wider range of matching possibilities to entrepreneurs in complementarity with other Union initiatives where relevant.

and ***economic and entrepreneurial*** sectors and on a long experience in working with European, national and regional stakeholders. This support should build on the experience of the Enterprise Europe Network as a one-stop-shop to improve SMEs competitiveness and develop their business in the Single Market and beyond. The Network plans to continue delivering services on behalf of other Union programmes, notably for the Horizon2020 programme, using the financial resources of these programmes. ***It should also support enhanced participation of SMEs representatives' organisation in the development of Single Market Policy initiative, such as public procurement, standardisation processes and intellectual property regimes. The Network should also increase the number of actions, providing more targeted advice to SME, in drafting projects and supporting networking and technological and organisational transition. The Network should also improve cooperation and liaison with other Advisory hubs established in the Digital programme and InvestEU as regards access to finance. The COSME actions in the Network should also aim to provide high quality services across Europe, paying particular attention to areas of activities and geographical parts of the Union where the Networks and intermediary stakeholders do not meet expected results.*** Also the ***successful*** mentoring scheme for new entrepreneurs - ***Erasmus for Young Entrepreneurs*** - should remain the tool to enable new or aspiring entrepreneurs to gain business ***and managerial*** experience by matching with an experienced entrepreneur from another country and thus allow strengthening entrepreneurial talents. The Programme should grow and extend its geographical coverage and thus offer wider range of matching possibilities to entrepreneurs in complementarity with other Union initiatives where relevant. ***In order to increase the value added by the***

promotion of entrepreneurship initiatives, special attention should be paid to micro-enterprises and to those that have benefited the least from the existing programme, and where the culture of entrepreneurship remains at a very basic level, and faces more barriers. Every effort should be made to achieve reasonably geographically balanced distribution of the funds.

Amendment 23

Proposal for a regulation

Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) More effort should be made to reduce the administrative burden and to increase the accessibility of the programmes in order to reduce costs SMEs and microenterprises face due to a complicated application process and participation requirements. Member States should also consider establishing a single information point for undertakings interested in using Union's funds functioning as a one-stop-shop. Evaluation procedure should be as simple and fast as possible in order to allow for timely use of the benefits the programme offers.

Amendment 24

Proposal for a regulation

Recital 28

Text proposed by the Commission

Amendment

(28) Clusters are a strategic tool for supporting the competitiveness and scaling-up of SMEs as they offer favourable business environments. Joint Cluster Initiatives should achieve critical mass to accelerate the growth of SMEs. By

(28) Clusters are a strategic tool for supporting the competitiveness and scaling-up of SMEs as they offer favourable business environments, ***increase sustainable development of industry and services and strengthen the***

connecting specialised eco-systems, clusters create new business opportunities for SMEs and integrate them better in European and global strategic value chains. Support should be provided for the development of transnational partnership strategies and the implementation of joint activities, supported by the European Cluster Collaboration Platform. Sustainable partnering should be encouraged with continuation funding if performance and participation milestones are reached. Direct support to SMEs should be channelled through cluster organisations for the following: uptake of advanced technologies, new business models, *low-carbon and resource-efficient* solutions, creativity and design, skills upgrading, talent attraction, entrepreneurship acceleration, and internationalisation. Other specialised SME support actors should be associated to facilitate industrial transformation and implementations of smart specialisation strategies. The Programme should thus contribute to **growth** and build linkages with the Union's (digital) innovation hubs and investments made under Cohesion Policy and Horizon Europe. Synergies with the Erasmus programme can also be explored.

economic development of the regions through the creation of quality jobs. Joint Cluster Initiatives should achieve critical mass to accelerate the growth of SMEs. By connecting specialised eco-systems, clusters create new business opportunities for SMEs and integrate them better in European and global strategic value chains. Support should be provided for the development of transnational partnership strategies and the implementation of joint activities, supported by the European Cluster Collaboration Platform. Sustainable partnering should be encouraged with continuation funding if performance and participation milestones are reached. Direct support to SMEs should be **channelled** through cluster organisations for the following: uptake of advanced technologies, new business models, solutions, creativity and design, skills upgrading, talent attraction, entrepreneurship acceleration, and internationalisation. Other specialised SME support actors should be associated to facilitate industrial transformation and implementations of smart specialisation strategies. The Programme should thus contribute to **sustainable economic development** and build linkages with the Union's (digital) innovation hubs and investments made under Cohesion Policy and Horizon Europe. Synergies with the Erasmus programme can also be explored.

Amendment 25

Proposal for a regulation Recital 28 a (new)

Text proposed by the Commission

Amendment

(28a) The programme can help build up and/or improve the relationship between micro-enterprises and SMEs and universities, research centres and other institutions involved in knowledge creation and dissemination. This

relationship can help improve firms' abilities to tackle the strategic challenges posed by the new international context.

Amendment 26

Proposal for a regulation Recital 28 b (new)

Text proposed by the Commission

Amendment

(28b) SMEs, owing to their smaller size, face specific obstacles to growth and have mayor difficulties in growing and scaling up some of their business activities. The Union has been providing support to scale up activities focusing on innovation on research mainly through the SME Instrument and the recently European Innovation Council pilot within the Horizon 2020 programme. Based on the working methods and experiences of the SME Instrument, the Single Market Programme should also provide support for scale-up activities by SMEs complimentary to the new EIC with its specific focus on break-through innovation under Horizon Europe. Scale up actions for SMEs under this programme should focus for instance in helping SMEs to scale up through commercialisation, internationalisation and on market driven-opportunities.

Amendment 27

Proposal for a regulation Recital 29

Text proposed by the Commission

Amendment

(29) Creativity and innovation are crucial for the competitiveness of the Union's industrial value chains. They represent catalysts for *industrial* modernisation and contribute to smart, inclusive sustainable growth. However,

(29) Creativity and innovation, *technological and organisational transformation, enhanced sustainability in terms of production processes, in particular resource and energy efficiency,* are crucial for the competitiveness of the

uptake by SMEs is still lagging behind. The Programme should therefore support targeted actions, networks and partnerships for creativity-driven innovation throughout the industrial value chain.

Union's industrial value chains. They represent catalysts for *the* modernisation of *the business and industry sectors* and contribute to smart, inclusive sustainable growth. However, uptake by SMEs is still lagging behind. The Programme should therefore support targeted actions, networks and partnerships for creativity-driven innovation throughout the industrial value chain.

Amendment 28

Proposal for a regulation

Recital 29 a (new)

Text proposed by the Commission

Amendment

(29a) Recognising that the SME Instrument of Horizon 2020 has been extremely successful for entrepreneurs through both phase1 and phase2 grants in advancing and their new business idea and testing and developing a prototype. While the selection process is already very rigorous, still many very good projects cannot be financed because of limited financial resources. The implementation in the frame of the SME Agency EASME has been working very efficiently. While the focus of that program is on high-tech projects, this program should extend the methodology to any type of scale-up SMEs.

Amendment 29

Proposal for a regulation

Recital 29 b (new)

Text proposed by the Commission

Amendment

(29b) The COSME actions should also focus in sectors characterised by a significant growth and social potential and with a high proportion of SMES. Tourism is a singular sector of the Union

Economy which contributes substantially to the Union's GDP and is run mainly by SMEs. The Union should continue and increase actions supporting the specificities of this sector.

Justification

The Programme should focus on the tourism sector, given its importance in the European context.

Amendment 30

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) European standards play an important role in the internal market. They are of vital interest for the competitiveness of undertakings, and especially SMEs. They are also a crucial tool to support Union legislation and ***policies*** in a number of key areas such as energy, climate change, information and communication technology, sustainable use of resources, innovation, product safety, consumer protection, worker's safety and working conditions and ageing population, thus positively contributing to the society as a whole.

Amendment

(30) European standards play an important role in the internal market. They are of vital interest for the competitiveness of undertakings, and especially SMEs. They are also a crucial tool to support Union legislation and ***policy goals*** in a number of key areas such as ***accelerating the energy transition, tackling*** climate change, ***environmental protection, improved air and water quality,*** information and communication technology, sustainable use ***and recycling*** of resources, ***technological and social*** innovation, product safety, consumer protection, worker's safety and working conditions and ageing population, thus positively contributing to the society as a whole.

Amendment 31

Proposal for a regulation

Recital 30 a (new)

Text proposed by the Commission

Amendment

(30a) The principles of transparency and equal gender opportunity should be taken

into account in all relevant initiatives and actions covered by the programme. Respect for human rights and fundamental freedoms for all citizens should be also considered in those initiatives and actions.

Amendment 32

Proposal for a regulation Recital 65

Text proposed by the Commission

(65) The Programme should promote synergies **and** complementarities with respect to the SMEs and entrepreneurship support under the European Regional Development Fund established by Regulation (EU) [...] of the European Parliament and of the Council⁶⁹. Moreover, the SME window of InvestEU Fund established by Regulation (EU) [...] of the European Parliament and of the Council⁷⁰ will guarantee debt and equity support to enhance access and availability of finance for SMEs. The Programme should also seek synergies with the Space Programme established by Regulation (EU) [...] of the European Parliament and of the Council⁷¹ in respect of encouragement of SMEs to benefit from breakthrough innovation and other solutions developed under those programmes.

⁶⁹ COM(2018) 372 final

⁷⁰ COM(2018) 439 final

⁷¹ COM(2018) 447 final

Amendment

(65) The Programme should promote synergies, complementarities **and additionality** with respect to the SMEs and entrepreneurship support under the European Regional Development Fund established by Regulation (EU) [...] of the European Parliament and of the Council⁶⁹. Moreover, the SME window of InvestEU Fund established by Regulation (EU) [...] of the European Parliament and of the Council⁷⁰ will guarantee debt and equity support to enhance access and availability of finance for SMEs **and micro enterprises**. The Programme should also seek synergies with the Space Programme established by Regulation (EU) [...] of the European Parliament and of the Council⁷¹ in respect of encouragement of SMEs to benefit from breakthrough innovation and other solutions developed under those programmes.

⁶⁹ COM(2018) 372 final

⁷⁰ COM(2018) 439 final

⁷¹ COM(2018) 447 final

Justification

Added reference to additionality and micro enterprises.

Amendment 33

Proposal for a regulation Recital 67

Text proposed by the Commission

(67) The Programme should promote synergies and complementarities with respect to the Digital Europe Programme established by Regulation (EU) [...] of the European Parliament and of the Council⁷³ which aims to promote the digitalisation of the Union economy and the public sector.

⁷³ COM(2018) 434 final

Amendment

(67) The Programme should promote synergies and complementarities with respect to the Digital Europe Programme established by Regulation (EU) [...] of the European Parliament and of the Council⁷³ which aims to promote the digitalisation of the Union economy and the public sector **and increased cybersecurity.**

⁷³ COM(2018) 434 final

Amendment 34

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

This Regulation establishes the programme for improving the functioning of the internal market and the competitiveness of enterprises, including micro, small and medium-sized enterprises and the framework for financing of development, production and dissemination of European statistics within the meaning of Article 13 of Regulation (EC) No 223/2009 (the 'Programme').

Amendment

This Regulation establishes the programme for improving the functioning of the internal market and the competitiveness **and sustainability** of enterprises, including micro, small and medium-sized enterprises, **social economy enterprises and enterprises networks**, and the framework for financing of development, production and dissemination of European statistics within the meaning of Article 13 of Regulation (EC) No 223/2009 (the 'Programme').

Amendment 35

Proposal for a regulation Article 2 – paragraph 1 – point 4 a (new)

Text proposed by the Commission

Amendment

(4 a) "Social economy enterprise"

means an enterprise whose main objective is to have a social impact rather than make a profit for their owners or shareholders and which operates by providing goods and services for the market. and is managed in an open and responsible manner involving employees, consumers and stakeholders;

Amendment 36

Proposal for a regulation

Article 2 – paragraph 1 – point 4 b (new)

Text proposed by the Commission

Amendment

(4b) "Local Public Enterprise" means a small local public service enterprise that meets the SME criteria and fulfils important tasks for local communities;

Justification

Local Public Enterprises are a kind of the entrepreneurial activity with specific characteristics to be duly considered in COSME programme.

Amendment 37

Proposal for a regulation

Article 2 – paragraph 1 – point 4 c (new)

Text proposed by the Commission

Amendment

(4c) "Enterprise networks" means the coming together of entrepreneurs in order to carry out a shared project and in which two or more SMEs jointly exercise one or more economic activities in order to increase their competitiveness in the market.

Justification

Enterprises networks are crucial actors in the internal market.

Amendment 38

Proposal for a regulation

Article 3 – paragraph 1 – point a

Text proposed by the Commission

(a) *to* improve the functioning of the internal market, *and especially to* protect and empower citizens, consumers and *businesses*, in particular micro, small and *medium-sized* enterprises (*SMEs*), *by enforcement of Union law*, facilitation of market access, standard setting, and by promoting human, animal and plant health and animal welfare; as well as to enhance cooperation between the competent authorities of Member States and between the competent authorities of Member States and the Commission and the decentralised Union agencies;

Amendment

(a) Improve the *competitiveness and* functioning of the internal market *enhancing it with local economies, tackle market inefficiencies and facilitating the enforcement of the Union’s legal framework*, , protect and empower citizens, consumers and *business*, *including its workforce*, in particular micro, small and *medium sized* enterprises *contributing to climate goals and sustainable industrial growth as well as to create the conditions for stable and quality employment*, facilitation of market access, standard setting, and by promoting human, animal and plant health and animal welfare; as well as to enhance cooperation *and sharing of best practices* between the competent authorities of Member States and between the competent authorities of Member States and the Commission and the decentralised Union agencies;

Amendment 39

Proposal for a regulation

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) making the internal market more effective, facilitating the prevention and removal of obstacles, supporting the development, implementation and enforcement of the Union law in the areas of the internal market for goods and services, public procurement, market surveillance as well as in the areas of company law and contract and extra-contractual law, anti-money laundering, free movement of capital, financial services and competition, including the

Amendment

(a) making the internal market more effective, *promoting local economic development*, facilitating the prevention and removal of obstacles, supporting the development, implementation and enforcement of the Union law in the areas of the internal market for goods and services, *social economy and social entrepreneurship*, public procurement, market surveillance as well as in the areas of company law and contract and extra-contractual law, anti-money laundering,

development of governance tools;

free movement of capital, financial services and competition, including the development of governance tools;

Amendment 40

Proposal for a regulation

Article 3 – paragraph 2 – point b

Text proposed by the Commission

(b) ***improving*** the competitiveness of enterprises with special emphasis on SMEs and achieving additionality through the provision of measures ***that provide various forms of support to SMEs, access to markets including the internationalisation of SMEs, favourable business environment for SMEs, the competitiveness of sectors, the modernisation of industry and the promotion of entrepreneurship;***

Amendment

(b) ***strengthening both*** the competitiveness ***and sustainability*** of enterprises with special emphasis on SMEs and achieving additionality through the provision of measures ***(COSME objectives), paying particular attention to their specific needs, by***

Amendment 41

Proposal for a regulation

Article 3 – paragraph 2 – point b – point i (new)

Text proposed by the Commission

Amendment

i) providing various forms of support to SMEs, fostering the growth, promotion and creation of SMEs, including enterprise networks, development of managerial skills and fostering measures to scale-up that will allow them to better access to markets and internationalisation processes, as well as marketing of their products and services;

Amendment 42

Proposal for a regulation

Article 3 – paragraph 2 – point b – point ii (new)

Text proposed by the Commission

Amendment

ii) fostering a favourable business environment and framework for SMEs, reducing administrative burden, enhancing the competitiveness of sectors, ensuring , the modernisation of industry including their digital transformation contributing to a resilient, energy and resource efficient economy;

Amendment 43

Proposal for a regulation

Article 3 – paragraph 2 – point b – point iii (new)

Text proposed by the Commission

Amendment

iii) promoting entrepreneurial culture and contributing to the high-quality training of SMEs' staff;

Amendment 44

Proposal for a regulation

Article 3 – paragraph 2 – point b – point iv (new)

Text proposed by the Commission

Amendment

iv) promoting new business opportunities for SMEs overcoming structural changes through targeted measures , and other innovative forms of actions such as workers buy-outs facilitating job creation and the continuity of businesses, in territories affected by these changes.

Amendment 45

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

1. The financial envelope for the implementation of the Programme for the period 2021 to 2027 shall be EUR **4 088 580 000** in current prices.

Amendment

1. The financial envelope for the implementation of the Programme for the period 2021 to 2027 shall be EUR **5 514 000 000 in 2018 prices (EUR6 211 000 000** in current prices).

Amendment 46

Proposal for a regulation

Article 4 – paragraph 2 – point a

Text proposed by the Commission

(a) EUR **1 000 000 000** to the objective referred to in Article 3(2)(b);

Amendment

(a) EUR **2 772 000 000 in 2018 prices (EUR 3 122000000 in current prices)** to the objective referred to in Article 3(2)(b);

Amendment 47

Proposal for a regulation

Article 4 – paragraph 3

Text proposed by the Commission

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Programme, concerning in particular preparatory, monitoring, control, audit and evaluation activities as well as use of information technology networks focusing on information processing and exchange, and use and development of corporate information technology tools.

Amendment

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Programme, concerning in particular preparatory, monitoring, control, audit and evaluation activities as well as use of information technology networks focusing on information processing and exchange, and use and development of corporate information technology tools. ***.The total costs of administrative and technical support will be limited in order to allow the maximum availability of the programme to finance actions covered by the objectives of the programme and shall not exceed in any case a limit of 5% of the overall budget referred to in Article 4 (1).***

Amendment 48

Proposal for a regulation

Article 4 – paragraph 6

Text proposed by the Commission

6. Resources allocated to Member States under shared management may, at their request, be transferred to the Programme. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation or indirectly in accordance with point (c) of that Article. Where possible those resources shall be used for the benefit of the Member State concerned.

Amendment

6. Resources allocated to Member States under shared management may, at their **voluntary** request **and** be transferred to the Programme. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation or indirectly in accordance with point (c) of that Article. Where possible those resources shall be used for the benefit of the Member State concerned.

Amendment 49

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

Grants under the Programme shall be awarded and managed in accordance with Title VIII of the Financial Regulation.

Amendment

Grants under the Programme shall be awarded and managed in accordance with Title VIII of the Financial Regulation. ***The Commission shall publish work programmes adopted for each of the specific objectives referred in Article 2 (2) specifying the amount of grants to be allocated.***

Justification

This is a consolidated practice in the management of the EU programmes

Amendment 50

Proposal for a regulation

Article 8 – paragraph 2 – point a

Text proposed by the Commission

(a) creation of the right conditions to empower all actors of the internal market, including businesses, citizens and consumers, civil society and public authorities through transparent information and awareness raising campaigns, best practice exchange, promotion of good practices, exchange and dissemination of expertise and knowledge and organization of trainings;

Amendment

(a) creation of the right conditions to empower all actors of the internal market, including businesses, ***and in particular micro-enterprises, SMEs***, citizens and consumers, civil society and public authorities through transparent information and awareness raising campaigns, best practice exchange, promotion of good practices, exchange and dissemination of expertise and knowledge and organization of trainings;

Amendment 51

Proposal for a regulation

Article 8 – paragraph 2 – point b

Text proposed by the Commission

(b) provision of mechanisms for citizens, consumers, end-users, civil society ***and*** businesses representatives from the Union to contribute to political discussions, policies and decision making process, notably by supporting the functioning of representative organisations at national and the Union level;

Amendment

(b) provision of mechanisms for citizens, consumers, end-users, civil society businesses ***and employees*** representatives from the Union to contribute to political discussions, policies and decision making process, notably by supporting the functioning of representative organisations at national and the Union level;

Amendment 52

Proposal for a regulation

Article 8 – paragraph 3 – point a

Text proposed by the Commission

(a) ***to provide various forms of support to SMEs;***

Amendment

deleted

Amendment 53

Proposal for a regulation

Article 8 – paragraph 3 – point b

Text proposed by the Commission

(b) facilitating **SMEs'** access to markets, supporting them in addressing global and societal challenges and business internationalisation, and strengthening Union industrial leadership in global value chains, **including the Enterprise Europe Network**;

Amendment

(b) facilitating **micro-enterprises, SMEs and enterprises networks'** access to markets, **including markets outside of the Union**, supporting them in addressing global, **environmental, economic** and societal challenges and business internationalisation, **facilitating support for them during their life-cycle** and strengthening Union **entrepreneurial and** industrial leadership in global value chains;

Amendment 54

Proposal for a regulation
Article 8 – paragraph 3 – point c

Text proposed by the Commission

(c) addressing market barriers, administrative burden and creating a favourable business environment to **empower** SMEs to benefit from the internal market;

Amendment

(c) addressing market barriers, **reducing** administrative burden, **including reducing obstacles for setting-up enterprises and the starting of businesses** and creating a favourable business environment to **allow micro-enterprises and** SMEs to benefit from the internal market, **including access to finance; and by providing appropriate guidance, mentoring and coaching schemes delivery of knowledge-based business services;**

Amendment 55

Proposal for a regulation
Article 8 – paragraph 3 – point d

Text proposed by the Commission

(d) facilitating the growth of businesses, including skills development, and industrial transformation across manufacturing and service sectors;

Amendment

(d) facilitating the **development and** growth of **sustainable** businesses, **raising micro and SME's awareness of Union's legislation**, including **environmental and energy EU law**, , **upgrading their skills and qualifications** development, and **facilitating new business models and**

resource-efficient value-chains fostering sustainable industrial, technological and organisational transformation across manufacturing and service sectors;

Amendment 56

Proposal for a regulation

Article 8 – paragraph 3 – point e

Text proposed by the Commission

(e) **supporting** the competitiveness of enterprises and whole sectors of economy, and supporting SMEs' uptake of innovation and value chain collaboration through strategically connecting ecosystems and clusters, including the joint cluster initiative;

Amendment

(e) **strengthening** the competitiveness **and sustainability** of enterprises and whole sectors of economy, and supporting **micro-enterprises and** SMEs' uptake of **technological, organisational and social innovation, enhancing corporate social responsibility** and value chain collaboration through strategically connecting ecosystems and clusters, including the joint cluster initiative;

Amendment 57

Proposal for a regulation

Article 8 – paragraph 3 – point f

Text proposed by the Commission

(f) fostering an entrepreneurial business environment and entrepreneurial culture, **including** the mentoring scheme for new entrepreneurs and supporting start-ups, business sustainability and scale-ups.

Amendment

(f) fostering an entrepreneurial business environment and entrepreneurial culture, **enlarging** the mentoring scheme for new entrepreneurs and supporting start-ups, business sustainability and scale-ups **with particular attention to new potential entrepreneurs (i.e. young, women), as well as other specific target groups, such as socially disadvantaged or vulnerable groups.**

Amendment 58

Proposal for a regulation

Article 8 – paragraph 3 a (new)

3 a. *The Commission may support the following specific actions supporting paragraphs (a) to (f) to*

i. accelerate, support and expand advisory services through the Enterprise Europe Network to provide integrated business with a One-Stop-Shop support service to Union SMEs that seek to explore opportunities in the internal market and in third countries, and by monitoring that a comparable level of quality of service is provided by the latter throughout all the Member States;

ii. support the creation of enterprise networks;

iii. support and expand mobility programmes for new entrepreneurs (“Erasmus for Young Entrepreneurs”) to improve their ability to develop their entrepreneurial know-how, skill and attitude and to improve their technological capacity and enterprise management;

iv. support the scale-up of SMEs through significant business extension projects based on market-driven opportunities (SME Scale-up instrument);

v. Support sector-specific actions in areas characterised by a high proportion of micro enterprises and SMEs and a high contribution to the Union's GDP, such as the tourism sector.

Amendment 59

Proposal for a regulation Article 8 – paragraph 3 b (new)

3 b. *Actions undertaken through the Enterprise Europe Network referred to in*

point 3 a new may include, inter alia:

(i) Facilitating internationalisation of SMEs and identification of business partners in the internal market, cross border business cooperation on R&D, technology, knowledge and innovation transfer partnership;

(ii) providing information, guidance and personalised advice on EU law, Union's financing and funding opportunities as well as on Union's initiatives that have an impact on business, including taxation, property rights, environment and energy-related obligations, labour and social security aspects;

(iii) facilitate SMEs' access to environmental, climate, energy efficiency and performance expertise;

(iv) Enhancing the network with other information and advisory networks of the Union and Member States, in particular, EURES the EU innovation Hubs and the InvestEu advisory Hub.

Services delivered by the Network on behalf of other Union programmes shall be funded by those programmes.

The Commission shall prioritise actions in the Network to improve parts or elements of it that do not comply with minimum standard in order to provide homogenous support to micro enterprises and SMEs throughout the EU.

The Commission shall adopt implementing acts establishing indicators and minimum standards for the purpose of measuring the impact of the Network vis-à-vis the specific objectives and the effectiveness of the COSME actions.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 21(2).

The Commission is empowered to adopt delegated acts in accordance with Article 20 to complement additional forms of support to the SMEs not foreseen in this

paragraph.

Those delegated acts shall respect the objectives lay down in this Regulation, in particular the COSME objectives established in Article 3(2).

Amendment 60

Proposal for a regulation

Article 9 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

Legal entities established in a third country which is not associated to the Programme *may* participate in the following actions:

The Commission may allow legal entities established in a third country which is not associated to the Programme *to* participate in the following actions:

Justification

This instrument should be focused in providing support mainly to European beneficiaries. Some exceptions to entities established in third countries might be allowed in order to benefit European SMEs and consumer organisation, but this should be decided on a case by case scenario.

Amendment 61

Proposal for a regulation

Article 11 – title

Text proposed by the Commission

Amendment

Evaluation *and award criteria*

Evaluation

Justification

The article actually refers only to the evaluation.

Amendment 62

Proposal for a regulation

Article 14 – paragraph 2 – subparagraph 2

Text proposed by the Commission

may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] or Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.

Amendment

may receive support from the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus or the European Agricultural Fund for Rural Development, in accordance with paragraph 5 of Article [67] of Regulation (EU) XX [Common Provisions Regulation] and Article [8] or Regulation (EU) XX [Financing, management and monitoring of the Common Agricultural Policy], ***or Regulation (EU) XX [establishing the Digital Europe Programme] in particular the objective on Advanced Digital Skills,*** provided that such actions are consistent with the objectives of the programme concerned. The rules of the Fund providing support shall apply.

Justification

The coordination with the Digital Europe programme has to be ensured to provide a EU comprehensive strategy for the SMEs.

Amendment 63

Proposal for a regulation

Article 16 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. The Commission shall adopt implementing acts establishing the work programmes covering the COSME actions and giving effect to the specific objective referred to in Article 3(2)(b). Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 21(2). In addition to the elements of paragraph 1, the work programme shall include:

(i) an indication of the amount allocated to each action to be financed;

(ii) an indicative implementation

timetable;

(iii) references to other actions at Union level that are being implemented and that could be of interest to SME and the network in the framework of other Union programmes or actions.

The work programme and the actions shall also be published, on the websites of each of the contact points of the Network, where such websites are available. This is particularly important for actions addressed to SMEs.

Amendment 64

Proposal for a regulation Article 16 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1 b. The Commission shall prepare by the end of January 2021 a Framework implementing the COSME action that will include the time table of the work programmes and calls, their topics and allocated financing and other necessary details necessary to provide transparency and predictability for all period of the Programme and to enhance the quality of the projects.

Amendment 65

Proposal for a regulation Article 18 – paragraph 1

Text proposed by the Commission

Amendment

1. Evaluations shall be carried out in a timely manner to feed into the decision-making process.

1. Evaluations shall be carried out in a timely manner, ***but at least every two years***, to feed into the decision-making process.

Amendment 66

Proposal for a regulation

Article 18 – paragraph 2

Text proposed by the Commission

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the Programme implementation.

Amendment

2. The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, ***on the basis of the monitoring conducted in accordance with Article 20***, but no later than four years after the start of the Programme implementation. ***It shall also include a comprehensive evaluation of the procedures, objectives and eligibility criteria for the priorities of the ongoing funding period. Based on the results of this interim evaluation, recommendations for a review of the Programme shall be proposed.***

Amendment 67

Proposal for a regulation

Article 22 – paragraph 1

Text proposed by the Commission

1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results), by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

Amendment

1. The recipients of Union funding shall ***operate with transparency and*** acknowledge the origin and ensure the visibility of the Union funding (in particular when promoting the actions and their results), by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public ***at local level..***

Justification

Visibility of the results of the programme has to be granted within the local communities in order to improve the awareness of the EU's contribution to the wellbeing of the European society.

Amendment 68

Proposal for a regulation Annex IV – column 2 – row 2

<i>Text proposed by the Commission</i>	<i>Amendment</i>
1 - Number of SMEs receiving support	1 - Number of SMEs receiving support <i>from the programme and the Network.</i>
2 - Number of companies supported having concluded business partnerships.	2 - Number of companies supported having concluded business partnerships. <i>2a - Number of entrepreneurs benefitting from mentoring and mobility schemes</i> <i>2b - Time and cost reduction in setting up an SME.</i> <i>2c - Number of enterprise networks created compared to baseline</i> <i>2d - Number of Member States using SME test.</i> <i>2e - Marked increase in the number of Member States with a one-stop shop for business start-ups.</i> <i>2f - Increase in the proportion of SMEs exporting and increase in the proportion of SMEs exporting outside the Union compared to baseline.</i> <i>2g - Marked increase in number of Member States implementing entrepreneurship solutions targeting potential, young, new and female entrepreneurs, as well as other specific target groups compared to baseline</i> <i>2h - Increase in the proportion of Union citizens that would like to be self-employed compared to baseline.</i> <i>2i - Performance of SMEs as regards sustainability to be measured inter alia by the increase in the proportion of Union SMEs developing sustainable blue economy and green products^{1a} and services and by their improvement in resource-efficiency (which may include energy, materials or water, recycling, etc) compared to baseline.</i>

**all indicators to be compared with the current situation on 2018.*

^{1a} Green products and services are those with a predominant function of reducing environmental risk and minimising pollution and resources. Products with environmental features (eco-designed, eco-labelled, organically produced, and with an important recycled content) are also included. Source: Flash Eurobarometer 342, "SMEs, Resource Efficiency and Green Markets".

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics	
References	COM(2018)0441 – C8-0254/2018 – 2018/0231(COD)	
Committee responsible Date announced in plenary	IMCO 14.6.2018	
Opinion by Date announced in plenary	ITRE 14.6.2018	
Associated committees - date announced in plenary	5.7.2018	
Rapporteur Date appointed	Patrizia Toia 13.6.2018	
Discussed in committee	9.10.2018	5.11.2018
Date adopted	3.12.2018	
Result of final vote	+: 39	–: 1
	0: 1	
Members present for the final vote	Zigmantas Balčytis, José Blanco López, Jonathan Bullock, Jerzy Buzek, Angelo Ciocca, Jakop Dalunde, Theresa Griffin, Hans-Olaf Henkel, Eva Kaili, Seán Kelly, Peter Kouroumbashev, Zdzisław Krasnodębski, Miapetra Kumpula-Natri, Janusz Lewandowski, Edouard Martin, Tilly Metz, Csaba Molnár, Angelika Niebler, Morten Helveg Petersen, Carolina Punset, Julia Reda, Paul Rübig, Massimiliano Salini, Sven Schulze, Neoklis Sylikiotis, Patrizia Toia, Vladimir Urutchev, Henna Virkkunen, Martina Werner, Lieve Wierinck, Anna Záborská, Flavio Zanonato	
Substitutes present for the final vote	Pilar Ayuso, Michał Boni, Françoise Grossetête, Werner Langen, Marisa Matias, Luděk Niedermayer, Răzvan Popa, Giancarlo Scottà	
Substitutes under Rule 200(2) present for the final vote	Renate Sommer	

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

39	+
ALDE	Morten Helveg Petersen, Carolina Punset, Lieve Wierinck
ECR	Hans-Olaf Henkel
ENF	Angelo Ciocca, Giancarlo Scottà
GUE/NGL	Marisa Matias, Neoklis Sylikiotis
PPE	Pilar Ayuso, Michał Boni, Jerzy Buzek, Françoise Grossetête, Seán Kelly, Werner Langen, Janusz Lewandowski, Angelika Niebler, Luděk Niedermayer, Paul Rübig, Massimiliano Salini, Sven Schulze, Renate Sommer, Vladimir Urutchev, Hermann Winkler, Anna Záborská
S&D	Zigmantas Balčytis, José Blanco López, Theresa Griffin, Eva Kaili, Peter Kouroumbashev, Miapetra Kumpula-Natri, Edouard Martin, Csaba Molnár, Răzvan Popa, Patrizia Toia, Martina Werner, Flavio Zanonato
VERTS/ALE	Jakop Dalunde, Tilly Metz, Julia Reda

1	-
EFDD	Jonathan Bullock

1	0
ECR	Zdzisław Krasnodębski

Key to symbols:

+ : in favour

- : against

0 : abstention