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REPORT

on increasing innovation, industrial and technological competitiveness through
a favourable environment for start-ups and scale-ups
(2023/2110(INI))

Committee on Industry, Research and Energy

Rapporteur: Tsvetelina Penkova

CONTENTS

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	3
EXPLANATORY STATEMENT	13
ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT	15
INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE	16
FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE	17

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

**on increasing innovation, industrial and technological competitiveness through a favourable environment for start-ups and scale-ups
(2023/2110(INI))**

The European Parliament,

- having regard to Articles 101 to 109 and Article 173 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Protocol No 27 to the Treaty on European Union and the TFEU on the internal market and competition,
- having regard to the Commission communication of 22 November 2016 entitled ‘Europe’s next leaders: the Start-up and Scale-up Initiative’ (COM(2016)0733),
- having regard to Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013¹ (Horizon Europe Regulation),
- having regard to the Commission communication of 5 May 2021 entitled ‘Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery’ (COM(2021)0350),
- having regard to the Commission communication of 5 July 2022 entitled ‘A New European Innovation Agenda’ (COM(2022)0332),
- having regard to its resolution of 22 November 2022 on the implementation of the European Innovation Council²,
- having regard to its resolution of 13 July 2023 on the state of the SME Union³,
- having regard to the Commission communication of 12 September 2023 on the SME Relief Package (COM(2023)0535),
- having regard to Rule 54 of its Rules of Procedure,
- having regard to the report of the Committee on Industry, Research and Energy (A9-0383/2023),

¹ OJ L 170, 12.5.2021, p. 1.

² OJ C 167, 11.5.2023, p. 8.

³ Texts adopted, P9_TA(2023)0294.

- A. whereas although various communications have been published by the EU institutions on start-ups, no concrete definitions of a start-up or a scale-up have yet been adopted;
- B. whereas start-ups and scale-ups are characterised by limited personnel resources and a comparatively limited ability to comply with complex regulatory regimes or funding procedures; whereas their business needs and specific challenges are often different in nature from those of established small and medium-sized enterprises (SMEs);
- C. whereas the European Innovation Council (EIC) was established under the Horizon Europe Regulation,
- D. whereas the Commission has various initiatives in place aimed at promoting entrepreneurship, innovation and digital transformation in the EU, such as the start-up and scale-up initiative, the eco-innovation scoreboard, Knowledge and Innovation Communities (KICs), the European cluster collaboration platform, the Digital Decade and the digital single market strategy, as well as funding programmes dedicated to innovation in other policy areas;
- E. whereas there are noticeable historical disparities between the investment culture in Europe and in other regions of the world, notably for venture capital and angel investment;
- F. whereas the EU is committed to improving its industrial and technological competitiveness in the global market, creating resilient and diversified supply chains and leading in the green and digital transitions and thus recognises the need to improve its position through sustained support for the growth of start-ups and scale-ups, as they can foster innovation and promote the objectives of the green and digital transitions;
- G. whereas the EU recognises the potential of start-ups and scale-ups to drive innovation, economic growth and job creation within the EU, address societal challenges, promote sustainability and contribute to the objectives set out in the European Green Deal, the digital Europe programme, the new European innovation agenda and the updated EU industrial strategy;
- H. whereas fostering cross-sectoral innovation and encouraging collaboration and knowledge exchanges among diverse industries is imperative for driving creativity, efficiency, and transformative growth within the start-up and scale-up landscape;
- I. whereas start-ups and scale-ups are currently hindered by a lack of single market integration, regulatory discrepancies and excessive administrative burdens; whereas European competitiveness is lagging behind other developed economies, threatening Europe's potential to generate growth and prosperity;
- J. whereas weakened State aid and competition rules in the Union may risk increasing barriers to market entry, in particular in the context of start-ups and scale-ups, and may hinder the competitive allocation of capital based on merit;
- K. whereas fostering an inclusive start-up ecosystem is paramount, as diversity in teams and leadership serves as a catalyst for innovation, creativity and resilience;

- L. whereas robust digital infrastructure and widespread connectivity are fundamental prerequisites and essential enablers of inclusive digital innovation for start-ups and scale-ups; whereas there are significant regional differences within the EU in this regard; whereas there is a need for further investment and advancements in digital infrastructure to keep pace with evolving technologies and to enable the EU to remain at the forefront of innovation on the global stage;
- M. whereas the 2023 report on the state of the Digital Decade⁴ underscores the fact that more progress is needed in the digital transformation of businesses, especially as regards the uptake of AI, big data and cloud computing;
- N. whereas a central aspect of successful entrepreneurial activity is the ability to innovate, adapt and identify gaps in the market to provide competitive products or services to customers at ultimately profitable scale; whereas for policymakers, this implies that the most effective action to promote start-ups and scale-ups in the Union is to support a favourable regulatory environment that facilitates market entry, business expansion and access to capital, with the aim to stimulate innovation, promote healthy competition and ensure maximum benefits for consumers;

Definitions

1. Calls on the Commission, in close cooperation with the Member States, to propose harmonised and broad definitions for a start-up and a scale-up respectively, based on scalability, while taking into account how they differ from one another and their particular status relative to SMEs, in order to prevent the inadvertent exclusion of start-ups or scale-ups due to restrictive definitions;
2. Calls on the Commission to define start-ups and scale-ups within SMEs, and to use this definition in the context of policy and statistics;
3. Is worried that the failure to adopt proper definitions can undermine the effectiveness of existing policies and legislation; notes that, although start-ups and SMEs have some overlapping interests, they differ substantially once they enter the fundraising, growth and maturity phases; highlights, moreover, that start-ups face uncertainty and a high risk of failure, and rely on ecosystems and a different class of investor; believes, therefore, that simply classifying start-ups as SMEs limits their growth, access to markets and investment opportunities;
4. Is convinced that dedicated definitions will increase the opportunities for support through measures that are tailored to the specific needs and features of start-ups and scale-ups by boosting their access to European capital markets and private investors; urges the Commission and the Member States to further coordinate their respective efforts to attract private capital in start-ups and scale-ups to cross the successive ‘valleys of death’ and fill the respective gaps; calls on the Commission to develop a comprehensive European start-up and scale-up strategy that promotes innovation and addresses the challenges faced by individual innovators, founders, start-ups and scale-ups in the EU;

⁴ European Commission, ‘[2023 Report on the state of the Digital Decade](#)’, 27 September 2023.

Access to funding

5. Emphasises the challenges faced by European start-ups in accessing financing, including difficulties in scaling up businesses quickly across Europe; urges governments, financial institutions and private investors to collaborate and develop strategies to cultivate a more risk-tolerant investment culture;
6. Highlights the significant impact that late payments have on cash flow for start-ups and scale-ups; notes that digital solutions can be used to facilitate increased invoice transparency and faster invoice payments;
7. Highlights the role of institutional investors, such as pension funds and insurance companies, and calls for them to be allowed to invest a larger portion of their portfolios in venture capital and early-stage investments, as this would provide a vital source of long-term funding for start-ups; recalls that the implementation of Directive (EU) 2019/1023⁵ on preventive restructuring frameworks and second chances aims to change the risk-averse culture in Europe;
8. Recalls the catalytic role played by targeted public support, in the form of grants, loans and loan guarantees, in bridging the funding gap for start-ups and scale-ups when private investment is insufficient or unavailable; is of the view that the EU public institutions' use of equity investment as a policy tool should remain an exception and should, as a general guiding principle, address only market failures; expects the Commission to take utmost care of the interests of start-ups and scale-ups in competitive market access when evaluating exemptions from State aid rules, merger-control rules and the loosening of competition policy provisions;
9. Stresses that, in market economies, the primary mechanism to finance businesses' capital needs, including those of start-ups and scale-ups, is via private debt and equity markets; urges the completion of the Capital Markets Union to mobilise private capital and improve the cross-border movement of such capital within the Union; calls for a comprehensive approach to address the regional disparities and barriers that impede access to finance within the European start-up ecosystem, recognising the diverse financial landscapes across Member States and regions;
10. Calls on the Commission to support and facilitate the participation of innovative start-ups and scale-ups in EU funding programmes and to ensure easier access to and simpler application processes for EU funding programmes and tenders, as well as a better, faster and easier outflow of these funds; recognises the current financial landscape, in which start-ups face difficulties in accessing targeted funding through grants, guarantees and loans due to bureaucratic hurdles and prolonged waiting periods post-grant approval; highlights the necessity of tailoring the existing EU funding structure to the distinctive requirements of start-ups to ensure that relevant financial support is not subject to undue administrative burdens; stresses, in particular, the need to expedite the disbursement of

⁵ Directive (EU) 2019/1023 of the European Parliament and of the Council of 20 June 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (OJ L 172, 26.6.2019, p. 18).

approved funds, by minimising the waiting period between grant approval and fund receipt;

11. Recognises that, due to their unique needs, the culture and creative sectors and industries need accessible and tailored financial mechanisms; calls for targeted financing for start-ups and scale-ups within the culture and creative sectors and industries;
12. Encourages the Member States and the Commission to prioritise investments in digital infrastructure across urban and rural areas, by adopting a forward-thinking approach that supports the growth and sustainability of start-ups and scale-ups and bolstering Europe's digital leadership;
13. Calls on the Commission and the Member States to assess the barriers that start-ups and scale-ups face in accessing finance and tailored funding application processes in a way that allows easier access to finance; calls for efforts to be focused on fast-tracking the harmonisation of capital markets across the Union;
14. Urges the Commission to enhance the funding mechanisms for start-ups and scale-ups, including public procurement and the provision of grants, loans, guarantees and crowd funding, while taking care not to crowd out private investment; urges it to reorient existing funds to target European start-ups and scale-ups more effectively, including through a special call for projects for deep tech and green tech; highlights the need to develop a voluntary pan-European credit referral system for start-ups and scale-ups that are rejected for bank loans; stresses the need to expand initiatives like VentureEU to attract greater private investment for start-ups and scale-ups in the long term; urges the Commission to encourage the Member States to enhance incentives for early-stage investment by business angels and investors; calls on the Commission to examine relevant best practices across the EU and to provide recommendations to promote a common framework;
15. Encourages government agencies and private investors to provide more targeted grants and low-interest loans to start-ups and scale-ups at various stages of growth, while maintaining competitive capital allocation mechanisms and taking utmost care not to crowd out private investment;
16. Advocates creating incentives and funding mechanisms to support cross-sectoral projects to allowing start-ups and scale-ups to explore unconventional collaborations and make use of diverse expertise, particularly in areas such as renewable energy, biotechnology, smart cities and the cultural and creative sectors and industries;

European Innovation Council

17. Welcomes the creation of the European Innovation Council (EIC), which aims to support, through grants and financial instruments, innovative start-ups and scale-ups that, despite having a valid business case, have not been able to secure funding due to market failure; calls for the EIC Fund to pay special attention to geographical balance; welcomes the EIC widening action plan and the overall goal of increasing the participation of widening countries to a share of at least 15 % of funding across all EIC instruments, as recommended by the EIC Board; calls on the Commission to fully

implement the actions recommended by the EIC Board in order to ensure that the EIC Fund has a truly European impact;

18. Highlights the need for the EIC to be a credible market actor; recalls that EIC investments should aim to ‘crowd in’ private investors rather than crowding them out; calls for, in the light of the EIC’s increasing activity, a clear strategy on the management of the EIC Fund, including with regard to the methods and criteria for capital allocation and the evaluation of the fund managers' performance; appreciates the high-quality due diligence performed by the European Investment Bank (EIB) and urges the Commission to ensure that this quality is maintained, in line with market standards; welcomes and encourages the EIC Board’s efforts to proactively address conflicts of interest through clear and transparent rules; welcomes the code of conduct adopted for consultants offering services to applicants to EIC calls;

European Investment Bank

19. Encourages the EIB Group, including the European Investment Fund, and national development banks to equitably increase financial support to start-ups and scale-ups, including those operating in emerging and high-potential sectors, in particular in the fields of EU energy and climate resilience and the digital transformation; observes that many start-ups are not sufficiently aware of the EIB’s offerings and underlines that better communication and outreach efforts from the EIB are essential to ensuring that start-ups and scale-ups can fully benefit from EIB instruments and financial support;
20. Recognises, in particular, that the EIB Group plays a crucial role in providing financial instruments and resources to support clean-tech start-ups and scale-ups across the Union; supports dedicated EIB loan support for start-ups and scale-ups engaged in the green and digital transitions to address the funding gap for investments in infrastructure and manufacturing capacity, subject to conditions; highlights the crucial role of the EIB in the Union’s commitment to the European Green Deal and the Paris Agreement;

Public procurement

21. Calls for the development of efficient and transparent mechanisms to facilitate access to public procurement contracts for start-ups and scale-ups that, compared to established companies, do not have the same legal and administrative capacities, track-record or experience in interacting with public administrations, and to encourage their participation in the provision of innovative solutions to public sector challenges;

Regulatory burdens

22. Welcomes the Commission’s target of reducing the burdens associated with reporting requirements by 25 % without undermining policy objectives; believes that the Commission should take into account the specific and structural constraints of start-ups and scale-ups in this regard in order to decrease cost pressure and promote competitiveness; calls for a balanced approach on EU legislation regarding fostering growth, entrepreneurship and the twin transitions; calls for the consistent application of the ‘think small first’ principle in internal deliberations and across relevant legislative proposals and policy initiatives;

23. Highlights the importance of streamlining and advancing the ‘once only’ principle for data sharing between administrations and the ‘digital by default’ principle in administrative procedures, both at EU and Member State level; believes that the standardisation and digitalisation of procedures and forms, in line with these principles, will significantly help start-ups and scale-ups by reducing administrative burdens in the long term; calls on the Commission and the Member States to make progress on implementing these principles;
24. Calls for the establishment of start-up-friendly regulations and frameworks that facilitate the growth, scalability and cross-border operations of start-ups and scale-ups, while ensuring consumer protection, data privacy and fair competition; underlines the importance of limiting compliance costs for start-ups and scale-ups; calls on the Commission to expand support for SMEs, start-ups and scale-ups in navigating regulatory complexity, by expanding programmes to promote legal clinics, for example in the context of the Digital Innovation Hubs under the digital Europe programme;
25. Urges the Commission to develop and adopt a ‘start-up test’, along the same lines as the SME test that it adopted in 2021, in order to better assess the impact of legislation focusing on innovation, financing and competitiveness; takes notes of the Commission President’s proposal to establish a competitiveness check for new EU legislation to be carried out by an independent board; considers that this competitiveness check should have a special framework as regards start-ups, scale-ups and SMEs to ensure that regulation incentivises starting new businesses in Europe;
26. Calls on the Commission to re-evaluate the effect on start-ups of upcoming legislation focused on SMEs, industry and innovation, while taking into account start-ups’ specific needs and features;
27. Takes note of new better regulation tools and the ‘one in, one out’ principle; believes that the Commission and the Member States need even greater ambition as regards regulatory simplification and lowering the cost of compliance, including through the consistent application of EU law across the Member States and by addressing overlapping laws in the single market, in particular for start-ups and scale-ups; believes that this simplification is essential to foster innovation and competitiveness;

Talent acquisition

28. Underscores the urgency of bridging the perceived talent gap and creating an ecosystem in which talent is not only abundant, but also fully integrated into the technology sector; notes with concern that the EU as a whole has fewer undergraduate study programmes in AI than some much smaller countries; believes that there is a need for a targeted approach at EU level to rectify this; highlights, in this regard, that the digital education action plan, the European universities initiative and the European Education Area, more broadly, can be expanded to further facilitate the establishment of strategic collaborations between academic institutions and industry to ensure graduates are well-prepared and equipped with the necessary skills needed in the dynamic job market; invites the Member States to increase investments in training and education by creating study programmes and courses focused on entrepreneurial and technological skills,

while also integrating lifelong learning initiatives for entrepreneurs already active in the sector, particularly for scale-ups;

29. Urges the Commission and the Member States to support initiatives that promote digital and industrial skills, cooperation, knowledge sharing, entrepreneurship and mentorship at all levels of education to equip individuals with the necessary knowledge and skills to thrive in the digital age; notes the importance of science, technology, engineering and math (STEM) skills in this regard;
30. Urges the Commission and the Member States to develop awareness campaigns to promote jobs in digital and industrial environments, with a specific focus on attracting more female talent to these sectors;
31. Urges the Commission to include start-ups and scale-ups in its skills and talent programmes and to highlight the opportunities that start-ups and scale-ups provide for young graduates, including employment; believes that the existing Union education programmes and initiatives, most notably Erasmus+, can be leveraged for these objectives;
32. Stresses that, in times of tight EU labour markets for skilled employees, facilitating the recruitment of international talent is essential; stresses the importance of safeguarding the principle of non-discrimination, promoting diversity and inclusivity within the start-up and scale-up ecosystem and ensuring equal opportunities for all, including young people, established professionals and underrepresented groups; notes, in this regard, the Commission's initiative to set up the EU Talent Pool;

Market access and competition

33. Is convinced that creating the conditions for innovative businesses to operate in a simple, clear and predictable environment is key to securing their ability to grow and scale up in the single market, as the opportunity to access a wider market will increase their ability to attract investors; stresses the importance of policy frameworks that facilitate and support collaboration, by removing hurdles resulting from inconsistent national regulatory regimes and providing the necessary incentives to promote active participation from all stakeholders within the innovation ecosystem; calls for mechanisms to mitigate risks associated with international expansion to ensure that start-ups and scale-ups have the necessary support and guidance to navigate the uncertainties inherent in global markets;
34. Acknowledges that, according to the European Patent Office's Deep Tech Finder, more than 10 % of the European start-ups that have applied for European patents have already benefited from EIC funding; is convinced of the need to raise awareness of the importance of intellectual property; is of the view that the Unitary Patent⁶ reform is a good example that aims to provide uniform protection across all participating countries, on a one-stop-shop basis, by reducing administrative burdens and securing consistency in case-law; calls on the Member States that have not yet ratified the Unified Patent Court Agreement to do so for the benefit of the start-up ecosystem;

⁶ So far, more than 35 % of applicants that have requested a unitary patent are SMEs, compared to 20 % for ordinary European patents.

35. Notes the EU's objectives concerning the Net-Zero Industry Act⁷ and calls on the Commission to consider how additional initiatives could be put forward to increase the competitiveness of European start-ups and scale-ups involved in net-zero technology value chains and contribute to their position in the global playing field of net-zero technologies; calls on the Commission, in cooperation with the Member States, to assess how start-ups and scale-ups respectively can contribute to the EU's decarbonisation objectives, and to factor in their role in its planning processes, such as the national energy and climate plans;
36. Stresses the need to cultivate a technology landscape that embodies both competition and innovation; is of the view that regulatory mechanisms must adapt to and evolve in sync with technological advancements and market shifts to uphold competitiveness and innovation, especially in relation to European start-ups; urges the Commission and the Member States to develop comprehensive plans and strategies on how to use the technology innovation enabled by start-ups and scale-ups to promote competitiveness and achieve climate targets;

Access to data

37. Encourages the Commission to enable real-time public data insights that empower better decision-making and drive innovation for start-ups and scale-ups, while protecting personal data and other data of a sensitive nature, in line with current EU legislation on data; calls on the Commission to work with industry, under the framework for financial data access, to establish consistent and harmonised standards for financial data sets, as well as a framework to ensure more trusted, efficient and innovative financial data sharing across businesses, third parties and governments;
38. Calls on the Commission to ensure the harmonised and effective implementation of recent digital regulations, notably the Digital Services Act⁸, the Digital Markets Act⁹, the Data Governance Act¹⁰, the Data Act¹¹ and the upcoming Artificial Intelligence Act¹²; calls on the Commission and the Member States to foster a European-led ecosystem of market places for non-personal data; suggests developing frameworks to harmonise the treatment of data sets as assets in financial accounting and reporting;

Innovation ecosystem and support structures

⁷ Commission proposal of 16 March 2023 for a regulation of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act) (COM(2023)0161).

⁸ Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (Digital Services Act) (OJ L 277, 27.10.2022, p. 1).

⁹ Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828 (Digital Markets Act) (OJ L 265, 12.10.2022, p. 1).

¹⁰ Regulation (EU) 2022/868 of the European Parliament and of the Council of 30 May 2022 on European data governance and amending Regulation (EU) 2018/1724 (Data Governance Act) (OJ L 152, 3.6.2022, p. 1).

¹¹ Commission proposal of 23 February 2022 for a regulation of the European Parliament and of the Council on harmonised rules on fair access to and use of data (Data Act) (COM(2022)0068).

¹² Commission proposal of 21 April 2021 for a regulation of the European Parliament and of the Council laying down harmonised rules on artificial intelligence (Artificial Intelligence Act) and amending certain Union legislative acts (COM(2021)0206).

39. Welcomes the announcements on the appointment of an EU SME envoy; further emphasises the need for this envoy to undertake a comprehensive analysis and issue periodic reports on the status of European start-ups and scale-ups, encompassing their daily hurdles and predicaments; encourages the Commission to appoint start-up and scale-up contact points in relevant directorates-general to better coordinate dedicated policies; calls on the Commission to establish a dedicated network of advisers for scale-ups as part of the Enterprise Europe Network;
40. Emphasises the fundamental importance of creating an inclusive start-up ecosystem that provides equal-opportunity jobs for all, including young people, established professionals and underrepresented groups; calls on the Commission and the Member States to put forward proactive initiatives and policies that actively promote inclusivity, by addressing systemic barriers, biases and prejudices and by fostering a level playing field for underrepresented groups; encourages the development of relevant mentorship programmes, networking opportunities and educational and other initiatives that specifically target underrepresented groups;
41. Calls for expertise to be pooled through strategic partnerships, collaboration and knowledge and resource sharing among academia, industry players and government agencies, leveraging their collective strengths and expertise within the context of Smart Specialisation strategies;
42. Recommends regional start-up ecosystems that bring together local, universities, entrepreneurs, companies and public sector entities be strengthened, including via innovation hubs, incubators, accelerators and venture builders, to leverage each region's strengths and resources; calls on the Commission to better coordinate between place-based innovation policy and excellence-driven innovation policy at Union level; takes note of the success stories from start-up ecosystems and the lessons learned from their experiences; recommends that these regional start-up ecosystems become a forum for ecosystem leaders to exchange ideas and best practices;
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 - ◦
43. Instructs its President to forward this resolution to the Council, the Commission and the governments of the Member States.

EXPLANATORY STATEMENT

Analysis of Start-ups and Specific Challenges

Start-ups and scale-ups play a critical role in driving innovation, job creation, and economic growth in the EU. However, they face numerous challenges that hinder their development and scalability.

1. Limited access to funding: Access to capital remains a significant hurdle for start-ups and scale-ups. Many struggle to secure early-stage investments, particularly risk capital and venture capital, which are crucial for scaling their operations, developing products, and entering new markets. The Commission and the Member States must enhance funding mechanisms and create an enabling environment for private investors to support start-ups and scale-ups.

2. Regulatory burdens: Start-ups often face complex and burdensome regulations that impede their growth. Compliance with regulations related to data protection, consumer rights, intellectual property, and taxation could be challenging for early-stage ventures with limited resources. Streamlining regulations, implementing clear guidelines, and providing regulatory support tailored to start-ups' needs are essential to foster a favourable environment.

3. Talent acquisition: Start-ups require a skilled workforce to drive innovation and growth. However, attracting and retaining talent can be challenging due to competition from established companies and limited resources for competitive remuneration packages. Enhancing entrepreneurship education and promoting digital skills within the EU are crucial steps to address the talent gap.

4. Market access and competition: Expanding beyond national borders is vital for start-ups and scale-ups to access larger markets and foster international competitiveness. However, navigating different regulations, cultural barriers, and market-specific challenges can be daunting. The Commission and the Member States should facilitate cross-border operations by harmonising regulations, providing market-entry support, and promoting international collaboration.

5. Innovation ecosystem and support structures: Creating a supportive ecosystem is crucial for start-ups' success. Access to incubators, accelerators, mentorship programmes, and networking opportunities helps start-ups develop their products, connect with investors, and gain market insights. Strengthening existing support structures, fostering collaboration between start-ups and established companies, and promoting knowledge sharing are essential elements of a thriving start-up ecosystem.

Conclusion

To unlock the full potential of start-ups and scale-ups in driving innovation and enhancing the EU's industrial and technological competitiveness, comprehensive measures must be taken. By addressing the challenges, such as limited access to funding, regulatory burdens, talent acquisition, and market access, the EU can foster a favourable environment for start-ups and

scale-ups to thrive. It is crucial for the Commission, the Member States, and relevant stakeholders to collaborate in implementing targeted policies, ultimately strengthening the EU's position as a global leader in innovation and technology.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that she has received input from the following entities or persons in the preparation of the report, until the adoption thereof in committee:

Entity and/or person	
1.	France Digitale
2.	BESCO
3.	Allied for Startups
4.	European Patent Office
5.	NOVE
6.	NetZero
7.	Dioxycle

The list above is drawn up under the exclusive responsibility of the rapporteur.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	28.11.2023
Result of final vote	+: 49 -: 2 0: 5
Members present for the final vote	Nicola Beer, Tom Berendsen, Vasile Blaga, Paolo Borchia, Marc Botenga, Cristian-Silviu Buşoi, Jerzy Buzek, Ignazio Corrao, Beatrice Covassi, Ciarán Cuffe, Josianne Cutajar, Nicola Danti, Valter Flego, Niels Fuglsang, Lina Gálvez Muñoz, Jens Geier, Nicolás González Casares, Bart Groothuis, Christophe Grudler, Robert Hajšel, Ivars Ijabs, Romana Jerković, Izabela-Helena Kloc, Zdzisław Krasnodębski, Georg Mayer, Marina Mesure, Iskra Mihaylova, Angelika Niebler, Johan Nissinen, Mauri Pekkarinen, Mikuláš Peksa, Tsvetelina Penkova, Morten Petersen, Clara Ponsatí Obiols, Robert Roos, Sara Skyttedal, Maria Spyraiki, Riho Terras, Patrizia Toia, Henna Virkkunen, Pernille Weiss
Substitutes present for the final vote	Pascal Arimont, Franc Bogovič, Damien Carême, Francesca Donato, Matthias Ecke, Marian-Jean Marinescu, Alin Mituța, Jutta Paulus, Massimiliano Salini, Ernő Schaller-Baross
Substitutes under Rule 209(7) present for the final vote	Carmen Avram, Peter Jahr, Virginie Joron, Ljudmila Novak, Milan Zver

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

49	+
ECR	Izabela-Helena Kloc, Zdzisław Krasnodębski
ID	Paolo Borchia
NI	Francesca Donato, Clara Ponsatí Obiols
PPE	Pascal Arimont, Tom Berendsen, Vasile Blaga, Franc Bogovič, Cristian-Silviu Buşoi, Jerzy Buzek, Peter Jahr, Marian-Jean Marinescu, Angelika Niebler, Ljudmila Novak, Massimiliano Salini, Sara Skytvedal, Maria Spyraiki, Riho Terras, Henna Virkkunen, Pernille Weiss, Milan Zver
Renew	Nicola Beer, Nicola Danti, Valter Flego, Bart Groothuis, Christophe Grudler, Ivars Ijabs, Iskra Mihaylova, Alin Mituța, Mauri Pekkarinen, Morten Petersen
S&D	Carmen Avram, Beatrice Covassi, Josianne Cutajar, Matthias Ecke, Niels Fuglsang, Lina Gálvez Muñoz, Jens Geier, Nicolás González Casares, Robert Hajšel, Romana Jerković, Tsvetelina Penkova, Patrizia Toia
Verts/ALE	Damien Carême, Ignazio Corrao, Ciarán Cuffe, Jutta Paulus, Mikuláš Peksa

2	-
The Left	Marc Botenga, Marina Mesure

5	0
ECR	Johan Nissinen, Robert Roos
ID	Virginie Joron, Georg Mayer
NI	Ernő Schaller-Baross

Key to symbols:

+ : in favour

- : against

0 : abstention