WRITTEN QUESTION E-2414/01
by Christoph Konrad (PPE-DE)
to the Commission

Subject: Restrictions on subsidies for SMEs

1. What grounds does the Commission have for limiting the business activities of equity investment companies for SMEs and of guarantee associations by means of its communication on ‘State aid and risk capital’, particularly bearing in mind that, in Europe, additional jobs and training places are mainly created in SMEs?

2. Why does the Commission recognise ‘market failure’ only in the case of SMEs in areas receiving assistance from the Structural Funds?

3. What view does the Commission take of the fact that equity investment companies for SMEs display a commitment to assisting the development of the economy even though the return on their investment is likely to be small? Why does it assume that equity investment companies which receive public funding distort competition and displace potential investors from the market, when the economic reality is that, particularly in the case of SMEs and when new businesses are being set up, other potential investors are often not interested because they anticipate little return on the investment?

4. Why does the Commission intend to limit existing refinancing and liability indemnity programmes for equity investment companies for SMEs?

5. Why does the Commission prohibit guarantees for food-retailing SMEs which do not process agricultural products into new products and yet not assistance to restaurants? What grounds does it have for the far-reaching prohibition on assistance to SMEs in the transport industry?

6. Does the Commission intend to limit guarantees for SMEs in the export trade?