



## The 2014 SME Assembly

# Growth Through Enterprise: Exploiting the Opportunities Ahead

Including the European Enterprise Promotion Awards Winners' Ceremony & European SME Week events

### **Conclusions of the SME Assembly 2014**

The SME Assembly 2014, which took place in Naples Italy on 1<sup>st</sup>-3<sup>rd</sup> October was the highlight of this years' European SME Week 2014.

The theme for the event was: "Growth Through Enterprise: Exploiting the Opportunities Ahead". As with previous years, the European Enterprise Promotion Awards Ceremony was a key feature of the Assembly bringing together SMEs; business organisations; European, national and regional government; academia, the media and entrepreneurs themselves.

More than 700 delegates took part in the event and participated in a comprehensive mix of policy sessions, expert workshops, interactive discussion and an Expo. The event was also a useful networking venue – the interactive badging system recorded around 10.500 contacts during the conference, i.e. on average, each participant networked with 15 people from all around Europe and beyond.

For the first time the Assembly was paperless – the conference app which was made available to all participants contains the full programme, profiles of the speakers and their presentations as well as policy documents and the complete information on the EEPA candidates and winners. For non-participants the following links can be used:

[#GoEnterPRIZE](#) & [@EEPA\\_en](#)

[blogs.ec.europa.eu/promotingenterprise/the-2014-sme-assembly-programme](https://blogs.ec.europa.eu/promotingenterprise/the-2014-sme-assembly-programme)

[www.facebook.com/European.Enterprise.Promotion.Awards](https://www.facebook.com/European.Enterprise.Promotion.Awards)



## CONCLUDING Remarks

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This year's assembly was a particularly successful event – and this is thanks to a numerous and active participation of the delegates, smooth cooperation with the Italian Government and the Italian Presidency of the EU, city of Naples as well as great effort of the organisers and everybody involved.

Most importantly, during these three days the importance of SMEs was repeatedly confirmed – through the political statements of President Barroso, Minister Guidi, Commissioner Nelli Feroci as well as extended presence of the President of the Italian Republic Giorgio Napolitano during the first plenary sessions.

**The highlights of the sessions** are as follows:

### First Day

#### The BIG DEBATE

The Question for the plenary debate was: **Can everyone become a successful entrepreneur by using digital technology?** The answer, based on the audience vote, was an overwhelming: 'No'. Digital technology is clearly a powerful enabler and the benefits it offers should be sought. But is just one of the tools, and alone will not deliver, unless it is well incorporated in the overall approaches and business environment.

#### POLICY SESSION 1: MEETING SME FINANCE NEEDS

SME financing remains dependent on the banking sector.

- ✓ We need to complement it e.g. by boosting early-stage investments and developing alternative sources of finance.
- ✓ One of the suggestions was that the EIB Group should further develop co-investments schemes with Business Angels to support start-ups. It is important as Business Angels not only provide finance but also advice, so called 'smart money'.
- ✓ We should also foster and enhance the bank lending through securitisation.



## **POLICY SESSION 2: BUSINESS DYNAMICS**

In this session Start-up, Transfer and the Second Chance for businesses and entrepreneurs were discussed.

- ✓ Support in those key moments of the entrepreneurs' life cycle requires an **array of measures that include legal and policy measures** (like access to finance) for creating an entrepreneur-friendly environment. In this mix, education and training remains a key element as it helps acquire knowledge, skills and attitudes to actually enable them to fully benefit from the support in place and helps to survive tough times.
- ✓ Many entrepreneurs today in Europe are actively searching around for the best environment in which to found and run their enterprises. Member States' administrations need to become aware of the fact that they are already in such kind of 'competition' and work even harder on being able to cater for entrepreneurs needs in their respective territories.
- ✓ Concerning bankruptcy and a second chance for honest failed entrepreneurs, we need to accept failure as part of the entrepreneurship lifecycle and get rid of the "stigma of failure". Furthermore, we have to ensure that the entrepreneurs learn from failure in a systematic and relevant way so that they can do it better the second time round.

## **POLICY SESSION 3: COMPLETING THE SINGLE DIGITAL MARKET**

Digital transformation **can accelerate growth** of companies and completion of the single market, **but it can also delay it**. This is when respective policies and the regulations don't follow fast enough the technological and de facto developments. Imperfections of the single market for the companies using digital tools and channels become then disproportionately burdensome than for the more traditional businesses.

Suggestions that were made:

- ✓ Create an EU (wide) company status to facilitate EU wide trading online
- ✓ Find a balanced approach to consumer rights – data protection should not be too burdensome
- ✓ Consider more thoroughly the 'online' implications of introducing changes e.g. in taxation



- ✓ Take account of the rise of new company models such as the new "micro-multinational" – nowadays it is possible to go global even as a 'one person company' trading from ones garage

## **POLICY SESSION 4: GROWTH THROUGH RESPONSIVE ADMINISTRATION**

The EC's priority is to **modernise public administration**.

- ✓ What concerns the SMEs, we should especially strengthen the implementation of the Small Business Act (SBA) with the "Think small first" principle remaining the core issue.
- ✓ Private sector can offer good examples of dynamic, pragmatic and flexible governance to the public sector. Three main suggestions are:
  - consult stakeholders and create a 'to do' list
  - measure what you are doing
  - adapt your administration according to needs

## **ENTREPRENEURSHIP FORUM**

With the ever growing need for businesses to compete on innovation and originality, **entrepreneurs and managers of successful SMEs and Start-ups have suggested:**

- ✓ Europe needs new models of entrepreneurship and entrepreneurs and small business need more Europe, this includes:
  - more support for immigrant entrepreneurs
  - single rules for businesses set up or corporate tax
  - access to digital technology tools and skills
  - entrepreneurship education



## Second Day

Second day started with the discussion on the **SBA 2.0 "Growth through Enterprise"**. The messages were:

- ✓ Think small first – but especially Act on it. Apply it and implement it.
- ✓ Really use the reduction of administrative red tape, access to finance, access to markets for Growth.
- ✓ Simply: ACT Small first to then Grow.

### **TRANSATLANTIC CO-OPERATION – benefit for SMEs**

This session conveyed a strong message from both the US Ambassador to the European Union and the EU SME Envoy on the importance of the transatlantic cooperation, which is clearly beneficial to both sides. Both leaders described the policy measures to support the SMEs on both sides of the Atlantic.

TTIP negotiations are progressing, 5 chapters are concluded. Some of the important issues that were highlighted included the need for: enhanced openness and transparency, regulatory compatibility and reduction of unnecessary costs.

SMEs and business organisations need to be involved in the negotiations as well since TTIP **will benefit SMEs** – e.g. through lower barriers, regulatory convergence, less administrative procedures. All SME friendly solutions should be incorporated into a dedicated SME chapter.

**TTIP is a great responsibility but an equally great opportunity, for all.**

### **Part 2 of the discussion concerned TTIP and the SME Chapter.**

It provided a number of practical ideas e.g. in the areas of **electronic commerce, intellectual property, speeding up customs. The examples** of how the cooperation between the SMEs on both sides of the Atlantic can be strengthened included the creation of the **Database on Europe importers and exporters will help trade and Using existing networks like EEN for cooperation between SMEs.**



## **POLICY SESSION 5: SKILLS FOR ENTREPRENEURSHIP**

Education is a national competence so the European Union can support and encourage the development of entrepreneurial education but it is up to each national and regional administration to use the know-how and already existing initiatives to include entrepreneurship education in the curricula. The discussion revolved around:

- ✓ Entrepreneurship is in fact a key competence for life. It encompasses not only skills necessary to run an enterprise but also to be a more valuable employee or a public servant, as well as better manage one's professional and private life.
- ✓ For setting up a successful entrepreneurship education scheme there must be cooperation between authorities of all levels (national, regional etc.) responsible for education, for economic development / promotion of entrepreneurship and the business world itself.
- ✓ Academic degree is no longer a guarantee for getting a good job. Today, excellent career prospects often come from vocational education systems. The most advanced ones offer both practical skills and direct experience adapted to the needs of the labour market.

## **POLICY SESSION 6: DESIGN FOR GROWTH**

A successful business needs a clear vision and strategy to grow. Design is an investment, but one that yields dividend: it attracts customers, makes them loyal and brings profits.

- ✓ Design can be a strategic tool for innovation and growth. It can radically transform the way businesses think and work
- ✓ For the design to lead to growth, clear leadership of the process is key

## **WORLD CAFÉ SESSION: YOUR SBA, YOUR VISION**

The world-café discussion format was tried for the first time. The participants appreciated the interactivity of the session, the possibility to both offer new ideas for the SBA as well as to discuss current issues together with other stakeholders involved.

The aim was also to stimulate the response to the [Public Consultation](#) on the Small Business Act 2015-2020 which is open until 15/12/2014.

## **WHAT'S NEXT**

The next SME Assembly will take place in Luxembourg, 19-20 November 2015.