



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Camera Deputaților for its Opinion on the Communication ‘An SME strategy for a sustainable and digital Europe’ {COM(2020) 103 final}.

The Small and Medium-sized Enterprise (SME) strategy is the EU’s compass for SME support. It is now more relevant than ever as a crucial tool for the post-crisis recovery.

As initiators of many innovative solutions, and deeply woven into Europe’s economic and social fabric, SMEs are key to the digital and green transition of Europe. Building resilience has meanwhile emerged as a third key element of this transition, which is the guiding theme of the recovery phase.

To assume their role, SMEs need the conditions to be able to exploit and drive this transition. Creating the appropriate business environment for our small companies is therefore a key objective of the SME strategy with its three pillars: capacity building, cutting red tape and access to finance.

It is also essential that national recovery and resilience plans address SME needs. The SME strategy serves as an important signpost of where to focus the efforts and what kind of actions should be implemented under national allocations from the Recovery and Resilience Facility.

The Commission is pleased that the Camera Deputaților supports the objectives of the SME strategy. Furthermore, it shares the Camera Deputaților’s concerns regarding data availability for SMEs, staff skills, SMEs’ participation in public procurement, access to venture capital and SMEs’ involvement in supporting better regulation via the Fit for Future platform. The Commission appreciates this opportunity to provide in the annex to this letter a number of clarifications on how the strategy addresses these concerns.

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The issues raised in the Opinion correspond to several persisting challenges in terms of SME policy in Romania, especially for the recovery period. Policy actions should continue to support the development of SME staff skills and their innovation activities. The reduction of regulatory burden should also continue through systematic impact assessments of legislation affecting SMEs, including via an effective SME test of new legislation in Romania. Further improvements in administrative performance are needed to make it easier for enterprises to access financial support provided by national authorities. The EU's recovery package, notably the Recovery and Resilience Facility, is a good opportunity to secure the necessary financial support for reforms in this context.

The Commission hopes that the clarifications provided address the issues raised by the Camera Deputaților and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Maroš Šefčovič
Vice-President*

*Thierry Breton
Member of the Commission*

Annex

The Commission has carefully considered each of the issues raised by the Camera Deputaţilor in its Opinion and is pleased to offer the following clarifications.

Articles 2&11: In view of facilitating access to risk financing for SMEs wanting to scale up, including young enterprises and those proposing cutting-edge technology, the Commission has launched the European Scale-up Action for Risk Capital (ESCALAR) programme, one of the strategy's key actions. ESCALAR aims to boost the availability of venture capital via a first of its kind risk sharing/reward mechanism.

Article 3: Regarding data availability, the Commission will ensure fair data access for all companies, especially SMEs through the European strategy for data. It will improve accessibility and data flows between businesses and governments by establishing common European data spaces for the secure sharing of data. On 25 November 2020, the Commission presented a proposal on European Data Governance to ensure the robustness and sustainability of these data spaces in key areas, including strategic European industrial sectors. This cross-sectoral framework's aim is to facilitate the sharing of data made available voluntarily in a controlled manner through technical, legal and organisational support and strengthen trust in common European data spaces. In context of the EU data economy, the Commission emphasised the importance to strengthen Europe's 'digital sovereignty', especially by ensuring the protection of Europeans' data by making sure that companies handling it are abiding by European rules, and that the data remains under European jurisdiction.

Articles 4&5: The SME strategy foresees numerous key actions aiming to improve the skills of SMEs' employees for the twin transition. Actions include capacity building via networks like the Enterprise Europe Network or the Digital Innovation Hubs, via digital crash courses and a digital volunteers programme where big companies provide digital expertise to the SMEs in their value chain. The Commission is developing the Digital Skills and Job Coalition platform, which will be a one-stop-shop for training and opportunities to improve digital skills, as well as a networking space for National Coalitions and all members. The Commission has also launched dedicated projects for National Coalitions through the Connect Europe Facility, encouraging them to reach out to a maximum of stakeholders to take action for digital skills. The updated skills agenda for Europe will play a crucial role in improving SME skills, too.

Article 6: The EU's SME Envoy will filter EU initiatives to signal to the Commission those that merit close attention from an SME perspective. The envoy will raise awareness on SME-related aspects in the Commission's better regulation agenda through a regular dialogue with the Regulatory Scrutiny Board and within the Fit for Future platform, due to begin its activities still in 2020. The EU's SME Envoy will have a specific role in this platform, contributing to identifying existing legislation that is particularly burdensome for SMEs. The EU's SME Envoy and the network of national SME envoys, which he chairs, will communicate closely with stakeholders as well as regional and local authorities, thus ensuring that their concerns are heard.

Article 7: The Commission engages in exchanges on SME policy with committees of the European Parliament dealing with this topic, notably the Committee on Industry, Research and Energy (ITRE), and with the Intergroup responsible for SMEs. Together with these parliamentary bodies, the Commission regularly organises joint meetings with stakeholder organisations.

Article 8: As regards public procurement, the Commission encourages Member States to use the flexibility offered by the EU's new public procurement framework to facilitate access for SMEs. A study published by the Commission in July 2020 on SME participation in public procurement in Member States provides useful insights in this context.

Article 9: Asymmetries in bargaining power increase the risk of small businesses being subject to unfair business practices and conditions, including access to data and late payments. The former has been addressed above. As regards the latter, the Commission will support the implementation of the Late Payment Directive, notably via setting up a virtual Late Payment Observatory and exploring the feasibility of alternative resolution/mediation mechanisms for SMEs, which will make it easier for SMEs to contest unfair payment practices.

Article 10: The Space Entrepreneurship Initiative 'Cassini' includes an education dimension, and the Commission will seek coordination with the European Space Agency (ESA) on this and other respects in the best possible way. Nevertheless, the Commission cannot commit to increasing and diversifying the educational role of ESA, as decisions in this field are the responsibility of its director general and ultimately, of the ESA Council of Ministers.
