



*"The voice of crafts and SMEs in Europe"*

## **2014 will be decisive for the future of Crafts and SMEs in Europe**

*New European Commission, EU Parliament elections and implementation of new programmes will impact SMEs in Europe*

Brussels, 6 February 2014 – In these earlier stages of 2014, European economy seems to be on the verge of a recovery from its longest recession ever. However, this is not yet a reality for the 20 million SMEs in Europe; too many are still lacking both confidence and access to finance to fund investments. The turning point opportunity is right now, in the coming months, meaning that the recent COSME and Horizon 2020 programmes need to be fully implemented so as to empower SMEs to make this change possible, as access to finance is one of the main issues keeping us in recession status. Last but not least, the upcoming European Parliament elections and new incoming European Commission enable European SME policy to be redefined and better targeted.

The new UEAPME Secretary General, **Peter Faross**, underlined that *"Europe's economy will not come out of the crisis without a recovery of crafts and SMEs, these 20 million enterprises are the backbone of our economy and our society, and represent 2/3 of employment and around 60% of turnover"*. Moreover, they are responsible for 85% of new jobs and are the main drivers for innovation in Europe. Mr Faross further emphasised that *"we have to be aware that any recovery must come from the private sector, because the tight budgetary situations in most countries do not allow further financial stimulus from the public sector."*

To make a real recovery happen, we need post crisis sustainable growth and a competitive framework for SMEs. Structural reforms are required and financial spending needs to be shifted towards investments in the real economy. Europe, together with its Member States, must provide SMEs with access to viable financial instruments making use of the new European programmes – such as COSME and Horizon 2020. The new possibilities provided by the European structural funds need to be fully exploited. We need to maximise the potential of the internal market for SMEs; we require a predictable framework in favour of entrepreneurship and innovation. Red tape needs to be continuously reduced as administrative costs can impact SMEs at a much wider scale than for larger companies.

In this context, Mr Faross therefore calls on all European governments to speed up their implementation of these new programmes. *"Without sufficient access to finance, SMEs cannot invest and the recovery will be over before it actually starts. UEAPME, with its national member organisations, has invested a lot of efforts to acquire these new programmes during the last years but these will have no real impact if they are not properly and timely implemented by national and regional governments."*

Finally, in May 2014, Europe will be electing a new European Parliament, and a new European Commission will come into power before the end of the year. UEAPME and members organisations intend to use its [Memorandum](#) to enable new members of parliament to better understand the role of SMEs, their needs and which policies we expect to be implemented to provide SMEs with a better regulatory environment, better access to markets, technologies and finance, the needed public services and an adequate network of intermediaries and support structures. From the upcoming new European Commission, we expect proposals for a new and strengthened SME policy to deepen overall industrial competitiveness.

*"SMEs all over Europe have the potential to bring the economy out of the crisis but they are not able to do so in the current environment. Policy is responsible to explore this potential and to make a recovery happen,"* concluded Mr Faross.

\*\*\*\* END \*\*\*\*

**EDITORS' NOTES:** UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 80 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information please visit <http://www.ueapme.com/> or follow [@UEAPME](#) on Twitter.

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