



COSME

PROGRAMME
FOR THE COMPETITIVENESS
OF ENTERPRISES AND SMEs

2014-2020



What is the programme for the Competitiveness of enterprises and SMEs (COSME)?

The proposal of the European Commission for a programme for the Competitiveness of enterprises and SMEs (COSME) aims at encouraging the competitiveness of European enterprises. With small and medium-size enterprises (SMEs), current and potential entrepreneurs and business support organisations as its main targets, the programme will provide better access to finance, deliver business support services and promote entrepreneurship. Subject to the approval by the Council and the European Parliament, the Programme will run from 2014 to 2020 with a foreseen budget of € 2.5 billion.

What are the objectives of this programme?

This programme will aim at:

- Facilitating access to finance for SMEs.
- Creating an environment favourable to SME creation and growth.
- Encouraging an entrepreneurial culture in Europe.
- Strengthening the sustainable competitiveness of EU enterprises.
- Supporting the internationalisation of SMEs and improving their access to markets.

In order to achieve its objectives, the COSME programme will ensure continuity of initiatives and actions already undertaken by the Entrepreneurship and Innovation Programme (EIP), building on the results and lessons learnt. While many successful features of the EIP will be continued, access to the programme will be simplified to make it easier for entrepreneurs and SMEs to benefit from it.

Added value of the programme

The COSME programme will support, complement and coordinate actions by the Member States. The programme will specifically address problems of a transnational nature which, by means of economies of scale or by their demonstration effect, can be more effectively addressed at the European level, such as:

- Overcoming market fragmentation in the Single Market.
- Facilitating the adoption of best practices across all Member States.

Building on the expertise of EU actors such as:

- European Investment Fund (EIF).
- Enterprise Europe Network (EEN).

As a result:

- The access to finance will be easier for entrepreneurs and small and medium-sized enterprises.
- Self-employment and business development will be facilitated as important sources of growth and job creation at the European level.
- Member States will be in a better position to maintain the competitiveness of their industrial basis, increase the number of their entrepreneurs, and raise their employment rate.

Who are the main beneficiaries?

- Entrepreneurs, in particular in SMEs, will benefit from easier access to funding for development, consolidation and growth of their enterprises.
- Citizens who want to become self-employed and face difficulties in setting up their own business, for instance young and women entrepreneurs.
- Member States' authorities (at national, regional and local level), will be better assisted in their efforts to elaborate and implement effective policy reform. In particular, they will benefit from EU-wide reliable data and statistics, best practice and financial support to test and scale up sustainable solutions for improving global competitiveness.



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• COMPETITIVE ENTERPRISES
• GROWING SMEs



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Key Actions under the programme

1. Access to finance for SMEs through dedicated financial instruments

The financial instruments target companies in different phases of their lifecycle: creation, expansion and business transfer.

An Equity Facility for Growth will provide venture capital to enterprises, in particular in their growth phase.

A Loan Guarantee Facility will cover loans up to EUR 150 000 and will be available for all types of SMEs.

They will be managed by the European Investment Fund in cooperation with financial institutions in the different Member States.

2. Enterprise Europe Network: a network of business service centres

The Enterprise Europe Network is a "one-stop shop" for the business needs of SMEs in the EU and beyond. It brings together more than 600 business support organisations from across 60 countries, including chambers of commerce and industry, technology centres or development agencies. It provides enterprises with information and a range of quality and free-of-charge business support services to make them more competitive, such as:

- Free of charge information, guidance and customised assistance on EU funding opportunities, including in the Research and Innovation area.
- Support for SME partnering, especially for cross-border activities.

3. Entrepreneurship

Support will be given to encourage trans-national networks, to exchange good practices and identify scope for expanding business activities.

A broad range of specific actions will be organised every year in the EU to support SMEs or specific target groups, such as young or women entrepreneurs. Established initiatives such as the SME week and the Network of Woman Entrepreneurs will be continued. Mobility exchanges for entrepreneurs will be maintained and expanded.

4. Improving framework conditions for the competitiveness of enterprises and policy development

Analytical work will be undertaken to facilitate evidence-based policy-making by national and regional policy-makers. Such work includes the compilation and analysis of data on performances and policies of the Member States and regions, as well as other economies, and also studies on the latest trends and development in certain sectors in European and global markets. Examples include the annual EU Competitiveness Report and the analysis on reducing the administrative burden in EU legislation affecting SMEs.

A number of conferences and other public events will be organised to assemble and disseminate sectoral knowledge, inform policy-makers, and make policy suggestions to increase the coherence and cooperation between EU Member States' policies to foster entrepreneurship.

5. Internationalisation of SMEs

The COSME programme will provide SMEs with support to facilitate business expansion in the EU Single Market and in markets outside the EU. International business cooperation will be fostered, in particular, to reduce the differences in regulatory and business environments, between the EU and its main trading partners.

Free of charge services will be continued, such as those offered by the IPR Helpdesk for China, which helps managing the intellectual property rights and related issues in that country.

Expected impact of the programme for the Competitiveness of enterprises and SMEs (COSME)

- The Enterprise Europe Network is expected to contribute to an increase of the EU GDP of €1.1 billion per year and to create or safeguard 30,000 jobs per year.
The Enterprise Europe Network is expected to assist 40,000 companies with partnership agreements, resulting in:
 - € 400 million annually in additional turnover for assisted companies.
 - 1,200 new business products, services or processes annually
- Access to finance will be easier for entrepreneurs, in particular those willing to launch cross-border activities, resulting in an expected increase of €3.5 billion in additional lending and/or investment for European enterprises per year.

What happens now?

The Commission proposal will be discussed by the European Parliament and by the Council, who will have to decide on the content and budget of the final programme in the course of 2013.

The programme for the Competitiveness of enterprises and SMEs should start on 1.1.2014.